

Project Piston

Cash Flow Forecast - monthly
(FY 2013, FY 2014, FY 2015)

Work in Process - Subject to Material Change

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NOTE:

General Fund cash activity and the forecasts herein are based on estimated cash activity for the General Fund main operating account. In addition to General Fund cash (fund 1000), the main operating account also contains cash balances and cash activity of the Risk Management Fund, Construction Fund, Street Funds, Solid Waste Fund, General Grants, and Motor Vehicle Fund ("other funds"). While the cash balances related to these other funds are pooled with General Fund cash, the City does maintain a separate accounting of due to/from balances for each fund. Since the General Fund commonly borrows from other funds, actual cash balance in these accounts at any given point in time is higher than that which actually belongs solely to the General Fund.



\$ in millions

	Actual FY 2012	4 Actual Jul-12	5 Actual Aug-12	4 Actual Sep-12	4 Actual Oct-12	5 Actual Nov-12	4 Actual Dec-12	4 Actual Jan-13	5 Actual Feb-13	4 Actual Mar-13	4 Actual Apr-13	5 Actual May-13	4 Forecast Jun-13	11A + 1F Forecast FY 2013
Operating Receipts														
Property taxes	\$ 567.0	\$ 34.0	\$ 198.0	\$ 14.8	\$ 6.9	\$ 4.2	\$ 24.4	\$ 139.1	\$ 42.3	\$ 5.4	\$ 1.3	\$ 3.1	\$ 58.0	\$ 531.6
Income & utility taxes	276.2	23.1	25.1	21.5	25.8	23.6	21.9	25.4	23.9	20.4	30.2	30.8	18.4	290.1
Gaming taxes	177.5	12.4	15.2	17.2	12.4	20.8	11.0	11.5	19.6	14.4	12.8	16.5	9.2	173.0
Municipal service fee to casinos	19.8	-	7.6	-	-	4.0	4.0	1.8	-	-	-	-	-	17.4
State revenue sharing	194.3	28.5	-	28.7	-	30.9	-	30.4	-	30.6	-	29.7	-	178.9
Other receipts	480.8	26.1	37.8	26.0	22.5	26.6	31.7	16.7	58.0	25.6	29.3	41.4	19.4	361.2
Refinancing proceeds	50.0	-	-	-	-	-	10.0	-	-	-	-	-	20.0	30.0
Total operating receipts	1,765.5	124.2	283.8	108.2	67.5	110.1	103.1	225.0	143.9	96.5	73.6	121.4	125.0	1,582.2
Operating Disbursements														
Payroll, taxes, & deductions	(454.2)	(37.5)	(35.0)	(32.5)	(28.0)	(41.1)	(30.1)	(23.6)	(30.1)	(25.9)	(26.3)	(36.2)	(27.2)	(373.6)
Benefits	(203.4)	(18.3)	(21.0)	(20.4)	(16.7)	(16.2)	(19.5)	(9.7)	(15.8)	(17.7)	(4.7)	(14.9)	(16.0)	(191.0)
Pension contributions	(103.9)	-	(11.7)	(7.2)	-	(1.2)	(8.8)	(1.9)	-	-	-	-	-	(30.8)
Subsidy payments	(50.0)	(0.6)	(4.9)	(6.2)	(1.1)	-	(0.1)	(0.2)	(5.7)	(5.0)	(3.9)	(1.6)	(10.9)	(40.1)
Distributions - tax authorities	(297.5)	(0.9)	(110.1)	(34.3)	(2.1)	(4.2)	(1.5)	(8.1)	(79.4)	(14.7)	(0.6)	-	(27.2)	(283.2)
Distributions - UTGO	(76.9)	-	(1.5)	(11.0)	(1.3)	-	-	-	(1.3)	(52.1)	(1.3)	-	-	(68.6)
Distributions - DDA increment	(8.6)	-	-	-	-	-	-	(5.9)	-	-	-	-	(5.5)	(11.4)
Income tax refunds	(16.9)	(1.9)	(3.3)	(0.6)	-	(1.8)	(1.0)	(0.5)	(0.4)	(0.4)	(1.9)	(1.6)	(3.8)	(17.2)
A/P and other disbursements	(477.5)	(43.8)	(48.1)	(34.5)	(31.4)	(37.1)	(25.2)	(24.3)	(34.7)	(29.3)	(27.7)	(36.9)	(32.2)	(405.3)
Sub-total operating disbursements	(1,688.9)	(103.1)	(235.7)	(146.8)	(80.6)	(101.7)	(86.1)	(74.1)	(167.4)	(145.0)	(66.5)	(91.3)	(122.8)	(1,421.1)
POC and debt related payments	(142.1)	(4.2)	(5.4)	(4.9)	(9.0)	(7.9)	(14.9)	(3.1)	(8.5)	(4.8)	(32.2)	(25.6)	(36.6)	(157.1)
Total disbursements	(1,831.0)	(107.3)	(241.1)	(151.7)	(89.6)	(109.6)	(101.0)	(77.2)	(175.9)	(149.8)	(98.8)	(116.9)	(159.4)	(1,578.2)
Net cash flow	(65.5)	16.9	42.6	(43.5)	(22.0)	0.5	2.1	147.8	(32.1)	(53.3)	(25.2)	4.6	(34.4)	4.0
Cumulative net cash flow		16.9	59.5	16.0	(6.0)	(5.5)	(3.4)	144.4	112.3	59.0	33.9	38.4	4.0	
Beginning cash balance	95.3	29.8	46.7	89.3	45.8	23.8	24.3	26.4	174.2	142.1	88.8	63.7	68.2	29.8
Net cash flow	(65.5)	16.9	42.6	(43.5)	(22.0)	0.5	2.1	147.8	(32.1)	(53.3)	(25.2)	4.6	(34.4)	4.0
Cash before required distributions	\$ 29.8	\$ 46.7	\$ 89.3	\$ 45.8	\$ 23.8	\$ 24.3	\$ 26.4	\$ 174.2	\$ 142.1	\$ 88.8	\$ 63.7	\$ 68.2	\$ 33.8	\$ 33.8
Accumulated property tax distributions	(27.9)	(48.1)	(77.8)	(31.8)	(32.9)	(31.5)	(48.0)	(149.8)	(89.5)	(26.9)	(26.0)	(28.5)	(19.7)	(19.7)
Cash net of distributions	\$ 1.9	\$ (1.4)	\$ 11.5	\$ 14.0	\$ (9.1)	\$ (7.1)	\$ (21.5)	\$ 24.4	\$ 52.6	\$ 61.9	\$ 37.6	\$ 39.7	\$ 14.1	\$ 14.1
Memo:														
Accumulated deferrals	(64.4)	(66.2)	(56.3)	(50.9)	(52.7)	(53.2)	(46.3)	(44.2)	(53.9)	(57.7)	(61.5)	(65.8)	(118.7)	(118.7)
Refunding bond proceeds in escrow	28.6	28.6	81.7	81.7	81.7	81.7	71.7	71.7	71.7	71.7	71.7	51.7	51.7	51.7
Reimbursements owed to other funds		tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd

[illegible]

\$ in millions

	Forecast Jul-14	Forecast Aug-14	Forecast Sep-14	Forecast Oct-14	Forecast Nov-14	Forecast Dec-14	Forecast Jan-15	Forecast Feb-15	Forecast Mar-15	Forecast Apr-15	Forecast May-15	Forecast Jun-15	Forecast FY 2015
Operating Receipts													
Property taxes	\$ 35.8	\$ 158.0	\$ 12.3	\$ 6.3	\$ 3.0	\$ 20.4	\$ 131.9	\$ 19.7	\$ 4.5	\$ 1.3	\$ 2.4	\$ 48.5	\$ 444.1
Income & utility taxes	28.5	22.5	22.1	28.1	22.5	22.1	28.1	23.3	22.5	28.1	22.1	22.5	292.3
Gaming taxes	14.5	14.0	8.9	22.8	10.3	9.3	21.9	9.8	14.9	17.2	13.1	11.7	168.3
Municipal service fee to casinos	-	7.6	-	-	4.0	4.0	1.8	-	-	-	-	-	17.4
State revenue sharing	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	186.1
Other receipts	25.8	24.4	24.5	31.2	24.9	24.5	31.2	25.7	24.9	31.2	24.5	24.9	318.0
Refinancing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	135.7	226.5	98.8	88.4	95.7	80.4	245.9	78.5	97.9	77.8	93.1	107.5	1,426.3
Operating Disbursements													
Payroll, taxes, & deductions	(31.7)	(27.2)	(27.2)	(36.4)	(27.2)	(27.2)	(31.7)	(27.2)	(27.2)	(36.4)	(27.2)	(27.2)	(354.2)
Benefits	(15.9)	(15.9)	(15.9)	(15.9)	(15.9)	(15.9)	(15.9)	(15.9)	(15.9)	(15.9)	(15.9)	(15.9)	(190.7)
Pension contributions	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(17.1)	(205.5)
Subsidy payments	(8.4)	(5.6)	(7.0)	(7.0)	(7.0)	(7.0)	(7.0)	(7.0)	(7.0)	(7.0)	(7.0)	(7.0)	(84.0)
Distributions - tax authorities	(14.0)	(70.0)	(37.9)	(5.4)	(1.0)	(1.3)	(54.3)	(19.8)	(13.2)	(1.6)	-	(22.7)	(241.2)
Distributions - UTGO	-	(10.0)	-	-	-	-	-	-	(42.7)	-	-	-	(52.7)
Distributions - DDA increment	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)
Income tax refunds	(2.5)	(2.7)	(0.6)	(0.3)	(1.5)	(1.0)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(3.7)	(17.0)
A/P and other miscellaneous	(35.6)	(29.5)	(28.7)	(36.4)	(29.5)	(29.5)	(35.6)	(29.5)	(29.5)	(35.6)	(29.5)	(29.5)	(378.1)
Sub-total operating disbursements	(125.3)	(178.1)	(134.4)	(118.5)	(99.2)	(107.0)	(162.2)	(116.8)	(153.0)	(115.9)	(97.9)	(124.2)	(1,532.4)
POC and debt related payments	(9.1)	(4.2)	(7.6)	(7.0)	(9.1)	(14.9)	(9.1)	(4.2)	(7.5)	(31.1)	(9.1)	(41.4)	(154.2)
Total disbursements	(134.3)	(182.3)	(141.9)	(125.5)	(108.3)	(121.9)	(171.3)	(121.1)	(160.5)	(147.0)	(107.0)	(165.6)	(1,686.7)
Net cash flow	1.3	44.2	(43.1)	(37.1)	(12.6)	(41.5)	74.6	(42.5)	(62.6)	(69.2)	(13.9)	(58.0)	(260.4)
Cumulative net cash flow	1.3	45.5	2.4	(34.7)	(47.3)	(88.8)	(14.2)	(56.7)	(119.3)	(188.5)	(202.4)	(260.4)	
Beginning cash balance	(164.7)	(163.4)	(119.1)	(162.3)	(199.4)	(212.0)	(253.4)	(178.9)	(221.4)	(284.0)	(353.2)	(367.1)	(164.7)
Net cash flow	1.3	44.2	(43.1)	(37.1)	(12.6)	(41.5)	74.6	(42.5)	(62.6)	(69.2)	(13.9)	(58.0)	(260.4)
Cash before required distributions	\$ (163.4)	\$ (119.1)	\$ (162.3)	\$ (199.4)	\$ (212.0)	\$ (253.4)	\$ (178.9)	\$ (221.4)	\$ (284.0)	\$ (353.2)	\$ (367.1)	\$ (425.1)	\$ (425.1)
Accumulated property tax distributions	(29.3)	(53.6)	(23.8)	(22.6)	(23.5)	(37.6)	(83.0)	(78.9)	(26.7)	(26.1)	(28.0)	(19.7)	(19.7)
Cash net of distributions	\$ (192.7)	\$ (172.7)	\$ (186.1)	\$ (221.9)	\$ (235.5)	\$ (291.0)	\$ (261.9)	\$ (300.3)	\$ (310.7)	\$ (379.3)	\$ (395.1)	\$ (444.8)	\$ (444.8)

Memo:

Accumulated deferrals

Refunding bond proceeds in escrow
Reimbursements owed to other funds

\$ in millions

	4	5	4	4	4	5	4	4	4	5	4	5	4	4	5	4	11A + 1F Forecast FY 2013
	Actual Jul-12	Actual Aug-12	Actual Sep-12	Actual Oct-12	Actual Nov-12	Actual Dec-12	Actual Jan-13	Actual Feb-13	Actual Mar-13	Actual Apr-13	Actual May-13	Forecast Jun-13	Forecast Jul-13	Forecast Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13
Operating Receipts																	
Property taxes	\$ 34.0	\$ 198.0	\$ 14.8	\$ 6.9	\$ 4.2	\$ 24.4	\$ 139.1	\$ 42.3	\$ 5.4	\$ 1.3	\$ 3.1	\$ 58.0	\$ 531.6				
Income & utility taxes	23.1	25.1	21.5	25.8	23.6	21.9	25.4	23.9	20.4	30.2	30.8	18.4	290.1				
Gaming taxes	12.4	15.2	17.2	12.4	20.8	11.0	11.5	19.6	14.4	12.8	16.5	9.2	173.0				
Municipal service fee to casinos	-	7.6	-	-	4.0	4.0	1.8	-	-	-	-	-	17.4				
State revenue sharing	28.5	-	28.7	-	30.9	-	30.4	-	30.6	-	29.7	-	178.9				
Other receipts	26.1	37.8	26.0	22.5	26.6	31.7	16.7	58.0	25.6	29.3	41.4	19.4	361.2				
Refinancing proceeds	-	-	-	-	-	10.0	-	-	-	-	-	20.0	30.0				
Total operating receipts	124.2	283.8	108.2	67.5	110.1	103.1	225.0	143.9	96.5	73.6	121.4	125.0	1,582.2				
Operating Disbursements																	
Payroll, taxes, & deductions	(37.5)	(35.0)	(32.5)	(28.0)	(41.1)	(30.1)	(23.6)	(30.1)	(25.9)	(26.3)	(36.2)	(27.2)	(373.6)				
Benefits	(18.3)	(21.0)	(20.4)	(16.7)	(16.2)	(19.5)	(9.7)	(15.8)	(17.7)	(4.7)	(14.9)	(16.0)	(191.0)				
Pension contributions	-	(11.7)	(7.2)	-	(1.2)	(8.8)	(1.9)	-	-	-	-	-	(30.8)				
Subsidy payments	(0.6)	(4.9)	(6.2)	(1.1)	-	(0.1)	(0.2)	(5.7)	(5.0)	(3.9)	(1.6)	(10.9)	(40.1)				
Distributions - tax authorities	(0.9)	(110.1)	(34.3)	(2.1)	(4.2)	(1.5)	(8.1)	(79.4)	(14.7)	(0.6)	-	(27.2)	(283.2)				
Distributions - UTGO	-	(1.5)	(11.0)	(1.3)	-	-	-	(1.3)	(52.1)	(1.3)	-	-	(68.6)				
Distributions - DDA increment	-	-	-	-	-	-	(5.9)	-	-	-	-	(5.5)	(11.4)				
Income tax refunds	(1.9)	(3.3)	(0.6)	-	(1.8)	(1.0)	(0.5)	(0.4)	(0.4)	(1.9)	(1.6)	(3.8)	(17.2)				
A/P and other disbursements	(43.8)	(48.1)	(34.5)	(31.4)	(37.1)	(25.2)	(24.3)	(34.7)	(29.3)	(27.7)	(36.9)	(32.2)	(405.3)				
Sub-total operating disbursements	(103.1)	(235.7)	(146.8)	(80.6)	(101.7)	(86.1)	(74.1)	(167.4)	(145.0)	(66.5)	(91.3)	(122.8)	(1,421.1)				
POC and debt related payments	(4.2)	(5.4)	(4.9)	(9.0)	(7.9)	(14.9)	(3.1)	(8.5)	(4.8)	(32.2)	(25.6)	(4.4)	(124.8)				
Total disbursements	(107.3)	(241.1)	(151.7)	(89.6)	(109.6)	(101.0)	(77.2)	(175.9)	(149.8)	(98.8)	(116.9)	(127.1)	(1,546.0)				
Net cash flow	16.9	42.6	(43.5)	(22.0)	0.5	2.1	147.8	(32.1)	(53.3)	(25.2)	4.6	(2.2)	36.3				
Cumulative net cash flow	16.9	59.5	16.0	(6.0)	(5.5)	(3.4)	144.4	112.3	59.0	33.9	38.4	36.3					
Beginning cash balance	29.8	46.7	89.3	45.8	23.8	24.3	26.4	174.2	142.1	88.8	63.7	68.2	29.8				
Net cash flow	16.9	42.6	(43.5)	(22.0)	0.5	2.1	147.8	(32.1)	(53.3)	(25.2)	4.6	(2.2)	36.3				
Cash before required distributions	\$ 46.7	\$ 89.3	\$ 45.8	\$ 23.8	\$ 24.3	\$ 26.4	\$ 174.2	\$ 142.1	\$ 88.8	\$ 63.7	\$ 68.2	\$ 66.1	\$ 66.1				
Accumulated property tax distributions	(48.1)	(77.8)	(31.8)	(32.9)	(31.5)	(48.0)	(149.8)	(89.5)	(26.9)	(26.0)	(28.5)	(19.7)	(19.7)				
Cash net of distributions	\$ (1.4)	\$ 11.5	\$ 14.0	\$ (9.1)	\$ (7.1)	\$ (21.5)	\$ 24.4	\$ 52.6	\$ 61.9	\$ 37.6	\$ 39.7	\$ 46.4	\$ 46.4				
Memo: (not included in cash flows above)																	
Refunding bond proceeds in escrow	28.6	81.7	81.7	81.7	81.7	71.7	71.7	71.7	71.7	71.7	51.7	51.7	51.7				
Reimbursements owed to other funds	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd				
Reinvestment expenditures (net)	-	-	-	-	-	-	-	-	-	-	-	-	-				
Cumulative reinvestment expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-				

\$ in millions

	Forecast Jul-13	Forecast Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	Forecast FY 2014
Operating Receipts													
Property taxes	\$ 37.8	\$ 166.6	\$ 13.0	\$ 6.6	\$ 3.1	\$ 21.5	\$ 139.1	\$ 20.8	\$ 4.8	\$ 1.3	\$ 2.5	\$ 51.1	\$ 468.4
Income & utility taxes	28.7	22.7	22.3	28.3	22.7	22.3	28.3	23.5	22.7	28.3	22.3	22.7	294.7
Gaming taxes	14.6	14.1	8.9	23.1	10.4	9.4	22.1	9.9	15.1	17.4	13.2	11.8	170.0
Municipal service fee to casinos	-	7.6	-	-	4.0	4.0	1.8	-	-	-	-	-	17.4
State revenue sharing	30.7	-	30.7	-	30.7	-	30.7	-	30.7	-	30.7	-	184.3
Other receipts	26.2	24.8	24.9	31.9	25.3	24.9	31.9	26.1	25.3	31.9	24.9	25.3	323.8
Refinancing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	138.1	235.9	99.9	89.9	96.2	82.2	254.0	80.3	98.6	79.0	93.6	110.9	1,458.6
Operating Disbursements													
Payroll, taxes, & deductions	(31.0)	(26.6)	(26.6)	(35.5)	(26.6)	(26.6)	(31.0)	(26.6)	(26.6)	(35.5)	(26.6)	(26.6)	(345.6)
Benefits	(15.5)	(15.5)	(15.5)	(15.5)	(15.5)	(15.5)	(15.5)	(14.0)	(14.0)	(6.5)	(6.5)	(6.5)	(156.1)
Pension contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidy payments	(5.3)	(2.8)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(49.0)
Distributions - tax authorities	(14.8)	(72.4)	(40.0)	(5.7)	(1.0)	(1.3)	(57.3)	(20.9)	(14.0)	(1.7)	-	(24.0)	(253.1)
Distributions - UTGO	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)
Income tax refunds	(2.5)	(2.7)	(0.6)	(0.3)	(1.5)	(1.0)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(3.7)	(17.0)
A/P and other miscellaneous	(41.3)	(42.9)	(34.3)	(42.1)	(35.1)	(30.6)	(40.8)	(23.0)	(33.5)	(39.7)	(30.0)	(30.0)	(423.2)
Sub-total operating disbursements	(110.4)	(162.9)	(120.9)	(103.2)	(83.7)	(87.0)	(149.2)	(88.9)	(92.6)	(89.9)	(68.4)	(95.9)	(1,253.0)
POC and debt related payments	(7.4)	(4.2)	(7.3)	(4.2)	(7.3)	(4.2)	(7.3)	(4.2)	(7.3)	(4.2)	(7.3)	(4.2)	(69.4)
Total disbursements	(117.7)	(167.1)	(128.3)	(107.4)	(91.1)	(91.2)	(156.5)	(93.2)	(99.9)	(94.1)	(75.7)	(100.1)	(1,322.4)
Net cash flow	20.4	68.8	(28.4)	(17.5)	5.2	(9.1)	97.5	(12.9)	(1.4)	(15.1)	17.9	10.8	136.2
Cumulative net cash flow	20.4	89.1	60.7	43.3	48.4	39.4	136.8	124.0	122.6	107.5	125.4	136.2	
Beginning cash balance	66.1	86.4	155.2	126.8	109.4	114.5	105.5	202.9	190.1	188.7	173.6	191.5	66.1
Net cash flow	20.4	68.8	(28.4)	(17.5)	5.2	(9.1)	97.5	(12.9)	(1.4)	(15.1)	17.9	10.8	136.2
Cash before required distributions	\$ 86.4	\$ 155.2	\$ 126.8	\$ 109.4	\$ 114.5	\$ 105.5	\$ 202.9	\$ 190.1	\$ 188.7	\$ 173.6	\$ 191.5	\$ 202.2	\$ 202.2
Accumulated property tax distributions	(29.8)	(55.4)	(24.0)	(22.7)	(23.7)	(38.6)	(86.5)	(82.2)	(27.1)	(26.5)	(28.5)	(19.7)	(19.7)
Cash net of distributions	\$ 56.6	\$ 99.8	\$ 102.8	\$ 86.6	\$ 90.8	\$ 66.9	\$ 116.5	\$ 107.9	\$ 161.6	\$ 147.1	\$ 163.0	\$ 182.5	\$ 182.5

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow

Reimbursements owed to other fu

Reinvestment expenditures (net)

Cumulative reinvestment expenditures

\$ in millions

	Forecast Jul-14	Forecast Aug-14	Forecast Sep-14	Forecast Oct-14	Forecast Nov-14	Forecast Dec-14	Forecast Jan-15	Forecast Feb-15	Forecast Mar-15	Forecast Apr-15	Forecast May-15	Forecast Jun-15	Forecast FY 2015
Operating Receipts													
Property taxes	\$ 35.8	\$ 158.0	\$ 12.3	\$ 6.3	\$ 3.0	\$ 20.4	\$ 131.9	\$ 19.7	\$ 4.5	\$ 1.3	\$ 2.4	\$ 48.5	\$ 444.1
Income & utility taxes	28.5	22.5	22.1	28.1	22.5	22.1	28.1	23.3	22.5	28.1	22.1	22.5	292.3
Gaming taxes	14.5	14.0	8.9	22.8	10.3	9.3	21.9	9.8	14.9	17.2	13.1	11.7	168.3
Municipal service fee to casinos	-	7.6	-	-	4.0	4.0	1.8	-	-	-	-	-	17.4
State revenue sharing	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	186.1
Other receipts	25.0	23.6	23.7	30.3	24.1	23.7	30.3	24.9	24.1	30.3	23.7	24.1	307.3
Refinancing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	134.8	225.6	97.9	87.5	94.8	79.5	245.0	77.7	97.0	76.9	92.2	106.7	1,415.5
Operating Disbursements													
Payroll, taxes, & deductions	(31.7)	(27.2)	(27.2)	(36.4)	(27.2)	(27.2)	(31.7)	(27.2)	(27.2)	(36.4)	(27.2)	(27.2)	(354.2)
Benefits	(8.4)	(8.4)	(8.4)	(8.4)	(8.4)	(8.4)	(8.4)	(8.4)	(8.4)	(8.4)	(8.4)	(8.4)	(100.7)
Pension contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidy payments	(5.6)	(2.9)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(51.0)
Distributions - tax authorities	(14.0)	(70.0)	(37.9)	(5.4)	(1.0)	(1.3)	(54.3)	(19.8)	(13.2)	(1.6)	-	(22.7)	(241.2)
Distributions - UTGO	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)
Income tax refunds	(2.5)	(2.7)	(0.6)	(0.3)	(1.5)	(1.0)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(3.7)	(17.0)
A/P and other miscellaneous	(35.6)	(29.5)	(28.7)	(36.4)	(29.5)	(29.5)	(35.6)	(29.5)	(29.5)	(35.6)	(29.5)	(29.5)	(378.1)
Sub-total operating disbursements	(97.9)	(140.7)	(107.0)	(91.1)	(71.8)	(79.6)	(134.8)	(89.5)	(82.9)	(88.5)	(70.6)	(96.8)	(1,151.3)
POC and debt related payments	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(79.8)
Total disbursements	(107.0)	(144.9)	(116.1)	(95.4)	(80.9)	(83.8)	(143.9)	(93.7)	(92.0)	(92.8)	(79.6)	(101.0)	(1,231.1)
Net cash flow	27.8	80.7	(18.2)	(7.8)	13.9	(4.3)	101.1	(16.0)	5.0	(15.8)	12.6	5.6	184.4
Cumulative net cash flow	27.8	108.5	90.3	82.5	96.3	92.0	193.1	177.0	182.1	166.2	178.8	184.4	
Beginning cash balance	202.2	230.0	310.7	292.6	284.7	298.6	294.3	395.3	379.3	384.3	368.5	381.0	202.2
Net cash flow	27.8	80.7	(18.2)	(7.8)	13.9	(4.3)	101.1	(16.0)	5.0	(15.8)	12.6	5.6	184.4
Cash before required distributions	\$ 230.0	\$ 310.7	\$ 292.6	\$ 284.7	\$ 298.6	\$ 294.3	\$ 395.3	\$ 379.3	\$ 384.3	\$ 368.5	\$ 381.0	\$ 386.7	\$ 386.7
Accumulated property tax distributions	(29.3)	(53.6)	(23.8)	(22.6)	(23.5)	(37.6)	(83.0)	(78.9)	(26.7)	(26.1)	(28.0)	(19.7)	(19.7)
Cash net of distributions	\$ 200.7	\$ 257.2	\$ 268.7	\$ 262.2	\$ 275.0	\$ 256.7	\$ 312.3	\$ 300.3	\$ 357.6	\$ 342.4	\$ 353.0	\$ 367.0	\$ 367.0

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow
Reimbursements owed to other funds
Reinvestment expenditures (net)
Cumulative reinvestment expenditures

Project Piston

Cash Flow Forecast

(Including Restructuring Scenario)

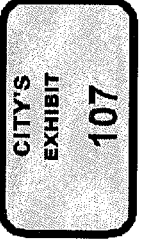
Work in Process - Subject to Material Change

Information contained herein has not been independently verified and is subject to material change based on continuing review. Accordingly, the information contained herein is not intended to be and should not be relied upon by any third party or as legal, auditing, or accounting advice.

The attached cash flows ("Cash Flow Forecast"), its assumptions and underlying data are the product of the Client and its management ("Management") and consist of information obtained solely from the Client. With respect to prospective financial information relative to the Client, Ernst & Young LLP ("EY") did not examine, compile or apply agreed upon procedures to such information in accordance with attestation standards established by the AICPA and EY expresses no assurance of any kind on the information presented. It is the Client's responsibility to make its own decision based on the information available to it. Management has the knowledge, experience and ability to form its own conclusions related to the Client's Cash Flow Forecast. There will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. EY takes no responsibility for the achievement of forecasted results. Accordingly, reliance on this report is prohibited by any third party as the projected financial information contained herein is subject to material change and may not reflect actual results.

NOTE:

General Fund cash activity and the forecasts herein are based on estimated cash activity for the General Fund main operating account. In addition to General Fund cash (fund 1000), the main operating account also contains cash balances and cash activity of the Risk Management Fund, Construction Fund, Street Funds, Solid Waste Fund, General Grants, and Motor Vehicle Fund ("other funds"). While the cash balances related to these other funds are pooled with General Fund cash, the City does maintain a separate accounting of due to/from balances for each fund. Since the General Fund commonly borrows from other funds, actual cash balance in these accounts at any given point in time is higher than that which actually belongs solely to the General Fund.



Assumptions for Restructuring Adjustments

- All future unsecured debt payments assumed to not be made starting with POC principal and interest payment due on June 17, 2013 and including LTGO, UTGO, and other POC principal and interest payments. Quarterly SWAP payments are assumed to continue to be made via monthly set-asides of wagering tax receipts; all other secured debt service payments are assumed to be made
- Medical benefits changes implemented January 1, 2014 which result in significant reduction in retiree costs beginning in April 2014 due to lag in claims processing (~\$7m/mo)
- All pension contributions are suspended; potential DC pension contribution currently shown below the line
- DDOT subsidy reduced on account of not making pension contributions or LTGO debt service payments
- Critical vendor payments are made starting first quarter of FY 2014, which are intended to be necessary to satisfy "hostage" payments, deposits if necessary, and impact of CIA/COD demands

Net cash flow impact of restructuring adjustments (before reinvestment in the City)

Ending cash balance - Base Case

Net cumulative cash flow impact of restructuring adjustments (before reinvestment in the City)

Ending cash balance - Restructuring Scenario (before reinvestment in the City)

11A + 1F FY 2013	Forecast FY 2014	Forecast FY 2015	Cumulative Impact ⁽¹⁾
\$ 32.3	\$ 139.6	\$ 116.4	\$ 288.3 ⁽²⁾
-	22.5	90.0	112.5
-	175.9	205.5	381.4
-	26.6	33.0	59.5
-	(30.0)	-	(30.0)
32.3	334.6	444.9	811.8
14.1	(184.4)	(444.8)	
32.3	366.9	811.8	
46.4	182.5	367.0	

Notes:

1. Cumulative impact represents 24-month period of fiscal years 2014 and 2015 (period ending June 30, 2015), and includes June 15th POC payment from FY 2013
2. Summary of debt service and POC moratorium:

FY 2013	FY 2014	FY 2015	Total
\$ -	\$ 56.9	\$ 52.7	\$ 109.7
-	-	-	UTGO
39.7	61.8	64.1	165.6
(7.4)	(31.0)	(30.1)	(68.5)
-	51.8	29.7	81.5
32.3	139.6	116.4	288.3

\$ in millions

	FY 2013				FY 2014				FY 2015				11A + 1F FY 2013	Forecast FY 2014	Forecast FY 2015
	Actual		Forecast		Forecast		Forecast		Forecast		Forecast				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Operating Receipts															
Property taxes	\$ 246.8	\$ 35.5	\$ 186.9	\$ 62.4	\$ 217.5	\$ 31.3	\$ 164.7	\$ 55.0	\$ 206.2	\$ 29.7	\$ 156.2	\$ 52.1	\$ 531.6	\$ 468.4	\$ 444.1
Income & utility taxes	69.8	71.2	69.7	79.4	73.7	73.3	74.5	73.3	73.1	72.7	73.9	72.7	290.1	294.7	292.3
Gaming taxes	44.8	44.2	45.6	38.4	37.7	42.9	47.1	42.4	37.3	42.4	46.6	42.0	173.0	170.0	168.3
Municipal service fee to casinos	7.6	8.0	1.8	-	7.6	8.0	1.8	-	7.6	8.0	1.8	-	17.4	17.4	17.4
State revenue sharing	57.2	30.9	61.1	29.7	61.4	30.7	61.4	30.7	62.0	31.0	62.0	31.0	178.9	184.3	186.1
Other receipts	90.0	80.8	100.3	90.1	79.0	85.2	86.4	85.2	74.8	80.7	81.9	80.7	361.2	335.9	318.0
Refinancing proceeds	-	10.0	-	20.0	-	-	-	-	-	-	-	-	30.0	-	-
Total operating receipts	516.1	280.7	465.4	320.0	476.8	271.3	435.9	286.6	461.0	264.5	422.3	278.5	1,582.2	1,470.7	1,426.3
Operating Disbursements															
Payroll, taxes, & deductions	(105.0)	(99.2)	(79.6)	(89.7)	(84.1)	(88.7)	(84.1)	(88.7)	(86.2)	(90.9)	(86.2)	(90.9)	(373.6)	(345.6)	(354.2)
Benefits	(59.7)	(52.4)	(43.2)	(35.7)	(46.4)	(46.4)	(43.6)	(42.1)	(47.7)	(47.7)	(47.7)	(47.7)	(191.0)	(178.6)	(190.7)
Pension contributions	(18.9)	(10.0)	(1.9)	-	(44.0)	(44.0)	(44.0)	(44.0)	(51.4)	(51.4)	(51.4)	(51.4)	(30.8)	(175.9)	(205.5)
Subsidy payments	(11.7)	(1.1)	(10.9)	(16.4)	(18.9)	(18.9)	(18.9)	(18.9)	(21.0)	(21.0)	(21.0)	(21.0)	(40.1)	(75.6)	(84.0)
Distributions - tax authorities	(145.4)	(7.8)	(102.2)	(27.8)	(127.2)	(8.1)	(92.2)	(25.7)	(121.9)	(7.7)	(87.3)	(24.3)	(283.2)	(253.1)	(241.2)
Distributions - UTGO	(12.5)	(1.3)	(53.5)	(1.3)	(12.0)	-	(44.9)	-	(10.0)	-	(42.7)	-	(68.6)	(56.9)	(52.7)
Distributions - DDA increment	-	-	(5.9)	(5.5)	-	(8.0)	-	(1.0)	-	(8.0)	-	(1.0)	(11.4)	(9.0)	(9.0)
Income tax refunds	(5.8)	(2.8)	(1.2)	(7.3)	(5.8)	(2.8)	(1.2)	(7.2)	(5.8)	(2.8)	(1.2)	(7.2)	(17.2)	(17.0)	(17.0)
A/P and other miscellaneous	(126.5)	(93.7)	(88.3)	(96.9)	(103.4)	(92.7)	(97.3)	(99.8)	(93.7)	(95.3)	(94.5)	(94.5)	(405.3)	(393.2)	(378.1)
Sub-total operating disbursements	(485.6)	(268.4)	(386.6)	(280.6)	(441.8)	(309.5)	(426.3)	(327.3)	(437.7)	(324.7)	(432.0)	(338.0)	(1,421.1)	(1,504.9)	(1,532.4)
POC and debt related payments	(14.6)	(31.7)	(16.4)	(94.4)	(17.4)	(31.2)	(17.3)	(98.3)	(20.9)	(31.0)	(20.8)	(81.6)	(157.1)	(164.2)	(154.2)
Total disbursements	(500.1)	(300.1)	(402.9)	(375.0)	(459.2)	(340.8)	(443.6)	(425.6)	(458.6)	(355.6)	(452.8)	(419.6)	(1,578.2)	(1,669.1)	(1,686.7)
Net cash flow	16.0	(19.4)	62.4	(55.0)	17.7	(69.4)	(7.7)	(139.0)	2.4	(91.2)	(30.5)	(141.2)	4.0	(198.5)	(260.4)
Cumulative net cash flow	16.0	(3.4)	59.0	4.0	21.7	(47.8)	(55.4)	(194.5)	(192.1)	(283.3)	(313.8)	(454.9)	4.0	(194.5)	(454.9)
Beginning cash balance	29.8	45.8	26.4	88.8	33.8	51.5	(17.9)	(25.6)	(164.7)	(162.3)	(253.4)	(284.0)	29.8	33.8	(164.7)
Net cash flow	16.0	(19.4)	62.4	(55.0)	17.7	(69.4)	(7.7)	(139.0)	2.4	(91.2)	(30.5)	(141.2)	4.0	(198.5)	(260.4)
Cash before required distributions	\$ 45.8	\$ 26.4	\$ 88.8	\$ 33.8	\$ 51.5	\$ (17.9)	\$ (25.6)	\$ (164.7)	\$ (162.3)	\$ (253.4)	\$ (284.0)	\$ (425.1)	\$ 33.8	\$ (164.7)	\$ (425.1)
Accumulated property tax distributions	(31.8)	(48.0)	(26.9)	(19.7)	(24.0)	(38.6)	(27.1)	(19.7)	(23.8)	(37.6)	(26.7)	(19.7)	(19.7)	(19.7)	(19.7)
Cash net of distributions	\$ 14.0	\$ (21.5)	\$ 61.9	\$ 14.1	\$ 27.4	\$ (56.5)	\$ (52.7)	\$ (184.4)	\$ (186.1)	\$ (291.0)	\$ (310.7)	\$ (444.8)	\$ 14.1	\$ (184.4)	\$ (444.8)
Memo:															
Accumulated deferrals	(50.9)	(46.3)	(57.7)	(118.7)	(112.8)	(114.4)	(116.0)	(117.6)	(119.3)	(121.0)	(122.7)	(124.4)	(118.7)	(117.6)	(124.4)
Refunding bond proceeds in escrow	81.7	71.7	71.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7

\$ in millions

	FY 2013				FY 2014				FY 2015				11A + 1F FY 2013	Forecast FY 2014	Forecast FY 2015
	Actual		Forecast		Forecast		Forecast		Forecast		Forecast				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Operating Receipts															
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gaming taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal service fee to casinos	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	(3.0)	(3.0)	(3.0)	(3.0)	(2.7)	(2.7)	(2.7)	(2.7)	-	(12.1)	(10.7)
Refinancing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	-	-	-	-	(3.0)	(3.0)	(3.0)	(3.0)	(2.7)	(2.7)	(2.7)	(2.7)	-	(12.1)	(10.7)
Operating Disbursements															
Payroll, taxes, & deductions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension contributions	-	-	-	-	44.0	44.0	44.0	44.0	22.5	22.5	22.5	22.5	-	22.5	90.0
Subsidy payments	-	-	-	-	6.6	6.6	6.6	6.6	51.4	51.4	51.4	51.4	-	175.9	205.5
Distributions - tax authorities	-	-	-	-	-	-	-	-	8.2	8.2	8.2	8.2	-	26.6	33.0
Distributions - UTGO	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	12.0	-	44.9	-	10.0	-	42.7	-	-	56.9	52.7
Income tax refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P and other miscellaneous	-	-	-	-	(15.0)	(15.0)	-	-	-	-	-	-	-	(30.0)	-
Sub-total operating disbursements	-	-	-	-	47.6	35.6	95.6	73.1	92.1	82.1	124.8	82.1	-	252.0	381.2
POC and debt related payments	-	-	-	-	(1.5)	15.4	(1.6)	82.5	(1.5)	13.5	(1.6)	64.1	32.3	94.8	74.4
Total disbursements	-	-	-	-	46.1	51.1	94.0	155.6	90.6	95.6	123.2	146.2	32.3	346.7	455.6
Net cash flow	-	-	-	-	32.3	32.3	32.3	32.3	32.3	32.3	32.3	32.3	32.3	32.3	32.3
Cumulative net cash flow	-	-	-	-	43.1	48.0	91.0	152.6	87.9	92.9	120.6	143.5	32.3	334.6	444.9
	-	-	-	-	75.4	123.4	214.4	366.9	454.8	547.7	668.3	811.8	32.3	366.9	811.8

\$ in millions

	FY 2013				FY 2014				FY 2015				11A + 1F FY 2013	Forecast FY 2014	Forecast FY 2015	
	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Operating Receipts																
Property taxes	\$ 246.8	\$ 35.5	\$ 186.9	\$ 62.4	\$ 217.5	\$ 31.3	\$ 164.7	\$ 55.0	\$ 206.2	\$ 29.7	\$ 156.2	\$ 52.1	\$ 531.6	\$ 468.4	\$ 444.1	
Income & utility taxes	69.8	71.2	69.7	79.4	73.7	73.3	74.5	73.3	73.1	72.7	73.9	72.7	290.1	294.7	292.3	
Gaming taxes	44.8	44.2	45.6	38.4	37.7	42.9	47.1	42.4	37.3	42.4	46.6	42.0	173.0	170.0	168.3	
Municipal service fee to casinos	7.6	8.0	1.8	-	7.6	8.0	1.8	-	7.6	8.0	1.8	-	17.4	17.4	17.4	
State revenue sharing	57.2	30.9	61.1	29.7	61.4	30.7	61.4	30.7	62.0	31.0	62.0	31.0	178.9	184.3	186.1	
Other receipts	90.0	80.8	100.3	90.1	76.0	82.2	83.4	82.2	72.2	78.0	79.2	78.0	361.2	323.8	307.3	
Refinancing proceeds	-	10.0	-	20.0	-	-	-	-	-	-	-	-	30.0	-	-	
Total operating receipts	516.1	280.7	465.4	320.0	473.8	268.3	432.9	283.6	458.3	261.8	419.7	275.8	1,582.2	1,458.6	1,415.5	
Operating Disbursements																
Payroll, taxes, & deductions	(105.0)	(99.2)	(79.6)	(89.7)	(84.1)	(88.7)	(84.1)	(88.7)	(86.2)	(90.9)	(86.2)	(90.9)	(373.6)	(345.6)	(354.2)	
Benefits	(59.7)	(52.4)	(43.2)	(35.7)	(46.4)	(46.4)	(43.6)	(49.6)	(25.2)	(25.2)	(25.2)	(25.2)	(191.0)	(156.1)	(100.7)	
Pension contributions	(18.9)	(10.0)	(1.9)	(1.9)	-	-	-	-	-	-	-	-	(30.8)	-	-	
Subsidy payments	(11.7)	(1.1)	(10.9)	(16.4)	(12.3)	(12.3)	(12.3)	(12.3)	(12.8)	(12.8)	(12.8)	(12.8)	(40.1)	(49.0)	(51.0)	
Distributions - tax authorities	(145.4)	(7.8)	(102.2)	(27.8)	(127.2)	(8.1)	(92.2)	(25.7)	(121.9)	(7.7)	(87.3)	(24.3)	(283.2)	(253.1)	(241.2)	
Distributions - UTGO	(12.5)	(1.3)	(53.5)	(1.3)	-	-	-	-	-	-	-	-	(68.6)	-	-	
Distributions - DDA increment	-	-	(5.9)	(5.5)	-	(8.0)	-	(1.0)	-	(8.0)	-	(1.0)	(11.4)	(9.0)	(9.0)	
Income tax refunds	(5.8)	(2.8)	(1.2)	(7.3)	(5.8)	(2.8)	(1.2)	(7.2)	(5.8)	(2.8)	(1.2)	(7.2)	(17.2)	(17.0)	(17.0)	
A/P and other miscellaneous	(126.5)	(93.7)	(88.3)	(96.9)	(118.4)	(107.7)	(97.3)	(99.8)	(93.7)	(95.3)	(94.5)	(94.5)	(405.3)	(423.2)	(378.1)	
Sub-total operating disbursements	(485.6)	(268.4)	(386.6)	(280.6)	(394.2)	(273.9)	(330.7)	(254.2)	(345.6)	(242.6)	(307.2)	(255.9)	(1,421.1)	(1,253.0)	(1,151.3)	
POC and debt related payments	(14.6)	(31.7)	(16.4)	(62.2)	(18.9)	(15.8)	(18.9)	(15.8)	(22.4)	(17.5)	(22.4)	(17.5)	(124.8)	(69.4)	(79.8)	
Total disbursements	(500.1)	(300.1)	(402.9)	(342.7)	(413.1)	(289.7)	(349.6)	(270.0)	(368.0)	(260.1)	(329.6)	(273.4)	(1,546.0)	(1,322.4)	(1,231.1)	
Net cash flow	16.0	(19.4)	62.4	(22.8)	60.7	(21.4)	83.3	13.5	90.3	1.7	90.0	2.4	36.3	136.2	184.4	
Cumulative net cash flow	16.0	(3.4)	59.0	36.3	97.0	75.6	158.9	172.4	262.8	264.5	354.5	356.9	36.3	172.4	356.9	
Beginning cash balance	29.8	45.8	26.4	88.8	66.1	126.8	105.5	188.7	202.2	292.6	294.3	384.3	29.8	66.1	202.2	
Net cash flow	16.0	(19.4)	62.4	(22.8)	60.7	(21.4)	83.3	13.5	90.3	1.7	90.0	2.4	36.3	136.2	184.4	
Cash before required distributions	\$ 45.8	\$ 26.4	\$ 88.8	\$ 66.1	\$ 126.8	\$ 105.5	\$ 188.7	\$ 202.2	\$ 292.6	\$ 294.3	\$ 384.3	\$ 386.7	\$ 66.1	\$ 202.2	\$ 386.7	
Accumulated property tax distributions	(31.8)	(48.0)	(26.9)	(19.7)	(24.0)	(38.6)	(27.1)	(19.7)	(23.8)	(37.6)	(26.7)	(19.7)	(19.7)	(19.7)	(19.7)	
Cash net of distributions	\$ 14.0	\$ (21.5)	\$ 61.9	\$ 46.4	\$ 102.8	\$ 66.9	\$ 161.6	\$ 182.5	\$ 268.7	\$ 256.7	\$ 357.6	\$ 367.0	\$ 46.4	\$ 182.5	\$ 367.0	
Memo: (not included in cash flows above)																
Refunding bond proceeds in escrow	81.7	71.7	71.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	
Reinvestment expenditures																
Dept. rev initiative / add'l opex	-	-	-	-	(7.7)	(7.7)	(7.7)	(7.7)	(3.7)	(3.7)	(3.7)	(3.7)	-	(30.8)	(14.9)	
Reorganization costs	-	-	-	-	(41.8)	(41.8)	(41.8)	(41.8)	(27.9)	(27.9)	(27.9)	(27.9)	-	(167.0)	(111.7)	
Blight (excludes heavy commercial)	-	-	-	-	(12.2)	(12.8)	(12.2)	(12.8)	(12.2)	(12.8)	(12.2)	(12.8)	-	(50.0)	(50.0)	
DC Pension contribution	-	-	-	-	(6.2)	(6.5)	(6.2)	(6.5)	(6.3)	(6.6)	(6.3)	(6.6)	-	(25.4)	(25.7)	
POC reim. (captured above)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
PLD decommission	-	-	-	-	-	-	-	-	(6.3)	(6.3)	(6.3)	(6.3)	-	-	-	
Increased tax revenues	-	-	-	-	-	-	3.6	3.8	3.0	3.1	3.0	3.1	-	7.4	12.2	
Total reinvestment expenditures	-	-	-	-	(67.8)	(68.8)	(64.2)	(65.0)	(53.3)	(54.2)	(53.3)	(54.2)	-	(265.8)	(215.1)	
Cumulative	-	-	-	-	(67.8)	(136.6)	(200.8)	(265.8)	(319.1)	(373.3)	(426.7)	(480.9)	-	(265.8)	(480.9)	

Net cash flow per restructuring scenario cash flow forecast ("CFF")**Reconciling items:****Restructuring/reorganization items (below the line in CFF)**

Department revenue initiatives and additional operating exp not included in CFF
 Restructuring/reorganization costs not included in CFF
 Blight costs not included in CFF
 DC pension contribution not included in CFF
 PLD decommission not included in CFF
 Increased tax revenues not included in CFF
 Sub-total restructuring/reorganization items (below the line in CFF)

Other items

Retiree healthcare transition costs included in CFF
 Higher DDOT subsidy in CFF (primarily due to retiree medical transition costs)
 AP critical vendor risk in CFF; not included in 10-year plan
 Cash escrow reserve requirement for self-insurance certification
 Miscellaneous other
 Sub-total other items

Total reconciling items**Funds avail for unsecured claims (per 10-year plan)**

	FY 2014	FY 2015
	\$ 136.2	\$ 184.4
	(30.8)	(14.9)
	(167.0)	(111.7)
	(50.0)	(50.0)
	(25.4)	(25.7)
	-	(25.0)
	7.4	12.2
	(265.8)	(215.1)
	104.9	46.8
	16.9	15.8
	30.0	-
	7.8	-
	(0.0)	(0.0)
	159.6	62.5
	(106.2)	(152.5)
	\$ 30.0	\$ 31.9

Project Piston

Cash Flow Forecast - through FY 2017

(DIP Financing Scenario)

Work in Process - Subject to Material Change

Information contained herein has not been independently verified and is subject to material change based on continuing review. Accordingly, the information contained herein is not intended to be and should not be relied upon by any third party or as legal, auditing, or accounting advice.

The attached cash flows ("Cash Flows"), its assumptions and underlying data are the product of the Client and its management ("Management") and consist of information obtained solely from the Client. With respect to prospective financial information relative to the Client, Ernst & Young LLP ("EY") did not examine, compile or apply agreed upon procedures to such information in accordance with attestation standards established by the AICPA and EY expresses no assurance of any kind on the information presented. It is the Client's responsibility to make its own decision based on the information available to it. Management has the knowledge, experience and ability to form its own conclusions related to the Client's Cash Flows. There will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. EY takes no responsibility for the achievement of forecasted results. Accordingly, reliance on this report is prohibited by any third party as the projected financial information contained herein is subject to material change and may not reflect actual results.

NOTE:

The General Fund cash activity and the forecasts herein are based on estimated cash activity for the General Fund main operating account. In addition to General Fund cash (fund 1000), the main operating account also contains cash balances and cash activity of the Risk Management Fund, Construction Fund, Street Funds, Solid Waste Fund, General Grants, and Motor Vehicle Fund ("other funds"). While the cash balances related to these other funds are pooled with General Fund cash, the City does maintain a separate accounting of due to/from balances for each fund. Since the General Fund commonly borrows from other funds, actual cash balance in these accounts at any given point in time is higher than that which actually belongs solely to the General Fund.

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Cash Bridge - Funds available for unsecured claims per Creditor Proposal vs. DIP Financing Scenario

in millions

	FY 2014	FY 2015	FY 2016	FY 2017
Funds available for unsecured claims (per Creditor Proposal)	\$ 30.0	\$ 31.9	\$ 55.5	\$ 32.3
Retiree healthcare transition costs in CF	(104.9)	(46.8)	(40.0)	(40.0)
Higher Transportation Dept (DDOT) subsidy in CF	(17.0)	(15.8)	(0.0)	-
Accounts payable vendor risk in CF	(30.0)	-	-	-
Cash escrow reserve requirement for self-insurance certification in CF	(7.8)	-	-	-
Tax revenue upside not included	(7.4)	-	-	-
Reinvestment timing change (see Memo 1 below)	62.9	(19.6)	36.5	36.2
DIP financing proceeds (net) (see Memo 2 below)	119.8	-	-	-
DIP financing principal/interest payments (see Memo 2 below)	(11.7)	(63.3)	(96.0)	(96.0)
Swap payment savings from settlement	33.7	50.6	50.6	50.6
Refunding bond proceeds drawn from escrow	20.0	-	-	-
Total reconciling items	\$ 57.6	\$ (94.8)	\$ (48.9)	\$ (49.3)
Net cash flow per DIP Financing Scenario	\$ 87.6	\$ (62.9)	\$ 6.6	\$ (17.0)

Memo 1: Reinvestment timing change

Expenditure timing change	62.9	(44.6)	(11.5)	0.1
Deferral of expenditures	-	25.0	48.0	36.1
Reinvestment timing change	\$ 62.9	\$ (19.6)	\$ 36.5	\$ 36.2

Memo 2: DIP financing related activity

Gross loan amount	350.0	-	-	-
Less: fees and expenses (1.5%)	(5.3)	-	-	-
Less: swap settlement	(225.0)	-	-	-
Net proceeds	\$ 119.8	\$ -	\$ -	\$ -
Interest payments (5.0% through Nov'14; 7.0% thereafter)	(11.7)	(20.8)	(19.1)	(13.5)
Principal payments	-	(42.4)	(76.9)	(82.5)
Total principal/interest payments	\$ (11.7)	\$ (63.3)	\$ (96.0)	\$ (96.0)

Monthly Cash Flow Forecast FY 2014 - DIP Financing Scenario (including reinvestment)

Monthly Cash Flow Forecast FY 2014 - DIP Financing Scenario (including reinvestment)

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\$ in millions

	Actual Jul-13	Actual Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	2A + 10F FY 2014
Operating Receipts													
Property taxes	\$ 32.7	\$ 177.5	\$ 13.3	\$ 6.8	\$ 3.2	\$ 22.1	\$ 142.5	\$ 21.3	\$ 4.9	\$ 1.4	\$ 2.6	\$ 40.2	\$ 468.4
Income & utility taxes	25.8	21.8	22.6	28.8	23.0	22.6	28.8	23.8	23.0	28.8	22.6	23.0	294.7
Gaming taxes	21.2	12.7	8.9	22.9	10.3	9.4	22.0	9.8	15.0	17.3	13.1	11.7	174.2
Municipal service fee to casinos	-	7.3	-	-	4.0	4.0	2.1	-	-	-	-	-	17.4
State revenue sharing	30.1	-	30.8	-	30.8	-	30.8	-	30.8	-	30.8	-	184.3
Other receipts	31.8	33.7	23.4	30.4	24.2	23.8	37.2	27.2	26.5	32.7	26.1	26.0	342.9
Financing proceeds	-	-	-	119.8	-	20.0	-	-	-	-	-	-	139.8
Total operating receipts	141.6	252.9	99.1	208.6	95.5	101.8	263.4	82.2	100.2	80.2	95.2	100.9	1,621.6
Operating Disbursements													
Payroll, taxes, & deductions	(33.9)	(29.4)	(26.1)	(36.0)	(27.2)	(27.2)	(32.1)	(28.3)	(28.3)	(37.0)	(28.3)	(28.3)	(362.2)
Benefits	(13.8)	(14.5)	(15.8)	(16.5)	(16.4)	(16.4)	(16.8)	(15.6)	(15.6)	(8.1)	(8.1)	(8.1)	(165.8)
Pension contributions	-	-	(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.4)
Subsidy payments	(3.3)	(0.1)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(49.0)
Distributions - tax authorities	-	(83.2)	(46.8)	(6.7)	(1.2)	(1.5)	(67.1)	(24.5)	(12.1)	(2.0)	-	(8.0)	(253.1)
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)
Income tax refunds	(2.6)	(1.1)	(0.6)	(0.3)	(1.4)	(0.9)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(5.4)	(17.0)
A/P and other miscellaneous	(44.2)	(25.0)	(39.8)	(45.7)	(38.3)	(33.7)	(61.2)	(43.0)	(52.5)	(56.9)	(47.0)	(47.0)	(534.3)
Professional fees	(2.3)	(1.5)	(5.1)	(8.2)	(6.4)	(5.8)	(5.8)	(5.5)	(4.7)	(4.6)	(4.8)	(4.7)	(59.3)
Sub-total operating disbursements	(100.2)	(154.7)	(145.1)	(120.0)	(97.7)	(100.3)	(190.3)	(123.9)	(120.2)	(117.7)	(96.1)	(109.1)	(1,475.2)
POC and debt related payments	(11.6)	(4.2)	(7.3)	(4.2)	(6.4)	(1.5)	(6.4)	(1.5)	(6.4)	(1.5)	(6.4)	(1.5)	(58.8)
Total disbursements	(111.8)	(159.0)	(152.4)	(124.2)	(104.1)	(101.8)	(196.7)	(125.4)	(126.6)	(119.1)	(102.4)	(110.6)	(1,534.0)
Net cash flow	29.8	93.9	(53.3)	84.4	(8.6)	0.0	66.7	(43.2)	(26.4)	(39.0)	(7.2)	(9.7)	87.6
Cumulative net cash flow	29.8	123.7	70.4	154.8	146.3	146.3	213.0	169.9	143.5	104.5	97.3	87.6	
Beginning cash balance	71.3	101.1	195.0	141.7	226.1	217.6	217.6	284.3	241.2	214.8	175.8	168.6	71.3
Net cash flow	29.8	93.9	(53.3)	84.4	(8.6)	0.0	66.7	(43.2)	(26.4)	(39.0)	(7.2)	(9.7)	87.6
Cash before required distributions	101.1	195.0	141.7	226.1	217.6	217.6	284.3	241.2	214.8	175.8	168.6	158.9	158.9
Accumulated property tax distributions	(56.9)	(85.7)	(48.2)	(46.3)	(47.3)	(62.7)	(105.9)	(98.4)	(33.3)	(32.4)	(34.5)	(35.3)	(35.3)
Cash net of distributions	\$ 44.3	\$ 109.4	\$ 93.5	\$ 179.9	\$ 170.3	\$ 154.9	\$ 178.5	\$ 142.8	\$ 181.5	\$ 143.4	\$ 134.1	\$ 123.6	\$ 123.6
Memo: (not included in cash flows above)													
Refunding bond proceeds in escrow	79.5	79.5	79.5	79.5	79.5	79.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5
Reimbursements owed to other funds	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow
Reimbursements owed to other fund

Monthly Cash Flow Forecast FY 2015 - DIP Financing Scenario (including reinvestment)

Monthly Cash Flow Forecast FY 2015 - DIP Financing Scenario (including reinvestment)

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£ in millions

	Forecast		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15					
Operating Receipts																	
Property taxes	\$ 31.0	\$ 168.3	\$ 12.6	\$ 6.4	\$ 3.1	\$ 20.9	\$ 135.1	\$ 20.2	\$ 4.7	\$ 1.3	\$ 2.5	\$ 38.1				\$	444.2
Income & utility taxes	28.5	22.5	22.1	28.1	22.5	22.1	28.1	23.3	22.5	28.1	22.1	22.5					292.3
Gaming taxes	14.5	14.0	8.9	22.8	10.3	9.3	21.9	9.8	14.9	17.2	13.1	11.7					168.3
Municipal service fee to casinos	-	7.3	-	-	4.0	4.0	2.1	-	-	-	-	-					17.4
State revenue sharing	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-					186.1
Other receipts	27.5	26.1	26.2	32.8	26.6	26.2	32.8	28.3	27.5	33.7	27.1	26.6					341.6
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-					-
Total operating receipts	132.5	238.1	100.8	90.2	97.4	82.5	251.1	81.6	100.6	80.4	95.7	98.9				1,449.9	
Operating Disbursements																	
Payroll, taxes, & deductions	(33.8)	(29.3)	(29.3)	(38.4)	(29.3)	(29.3)	(33.8)	(29.0)	(29.0)	(38.2)	(29.0)	(29.0)				(377.4)	
Benefits	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.4)	(9.4)	(9.4)	(9.4)	(9.4)				(114.2)	
Pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)				(25.7)	
Subsidy payments	(5.6)	(2.9)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)				(51.0)	
Distributions - tax authorities	-	(68.9)	(44.4)	(6.3)	(1.2)	(1.5)	(63.6)	(23.2)	(22.7)	(1.9)	-	(7.5)				(241.2)	
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-				-	
Distributions - DDA increment	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)				(9.0)	
Income tax refunds	(2.6)	(1.1)	(0.6)	(0.3)	(1.4)	(0.9)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(5.4)				(17.0)	
A/P and other miscellaneous	(48.0)	(41.9)	(42.1)	(58.8)	(40.9)	(40.9)	(50.3)	(44.2)	(44.2)	(49.3)	(43.2)	(43.2)				(547.1)	
Professional fees	(5.2)	(4.0)	(5.6)	(3.8)	(18.6)	-	-	-	-	-	-	-				(37.2)	
Sub-total operating disbursements	(107.0)	(159.7)	(137.9)	(123.6)	(107.3)	(96.5)	(164.2)	(112.6)	(112.2)	(107.5)	(89.3)	(102.1)				(1,419.9)	
POC and debt related payments	(6.4)	(1.5)	(6.4)	(1.5)	(6.4)	(8.0)	(12.9)	(8.0)	(12.9)	(8.0)	(12.9)	(8.0)				(92.8)	
Total disbursements	(113.4)	(161.2)	(144.2)	(125.1)	(113.7)	(104.5)	(177.2)	(120.6)	(125.1)	(115.5)	(102.2)	(110.1)				(1,512.7)	
Net cash flow																	
Cumulative net cash flow	19.1	76.9	(43.4)	(34.8)	(16.3)	(22.0)	73.9	(39.0)	(24.5)	(35.1)	(6.5)	(11.2)				(62.9)	
	19.1	96.1	52.6	17.8	1.5	(20.5)	53.4	14.4	(10.1)	(45.2)	(51.7)	(62.9)					
Beginning cash balance	158.9	178.0	255.0	211.6	176.7	160.4	138.4	212.3	173.3	148.8	113.7	107.2				158.9	
Net cash flow	19.1	76.9	(43.4)	(34.8)	(16.3)	(22.0)	73.9	(39.0)	(24.5)	(35.1)	(6.5)	(11.2)				(62.9)	
Cash before required distributions	178.0	255.0	211.6	176.7	160.4	138.4	212.3	173.3	148.8	113.7	107.2	96.0				96.0	
Accumulated property tax distributions	(55.8)	(87.9)	(51.9)	(49.8)	(50.6)	(64.8)	(103.4)	(96.3)	(34.6)	(33.7)	(35.7)	(35.3)				(35.3)	
Cash net of distributions	\$ 122.3	\$ 167.1	\$ 159.7	\$ 126.9	\$ 109.8	\$ 73.6	\$ 108.9	\$ 77.0	\$ 114.2	\$ 80.0	\$ 71.5	\$ 60.7				\$	60.7

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow
Reimbursements owed to other funds

Project Piston

Annual Cash Flow Forecast - DIP Financing Scenario (including reinvestment)

9/16/13 12:11 PM

\$ in millions

Operating Receipts

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
Property taxes	\$ 468.4	\$ 444.2	\$ 430.7	\$ 416.2
Income & utility taxes	294.7	292.3	294.0	296.1
Gaming taxes	174.2	168.3	170.0	171.7
Municipal service fee to casinos	17.4	17.4	17.4	17.4
State revenue sharing	184.3	186.1	187.9	189.5
Other receipts	342.9	341.6	348.1	343.0
Financing proceeds	139.8	-	-	-
Total operating receipts	1,621.6	1,449.9	1,448.0	1,433.8

Operating Disbursements

Payroll, taxes, & deductions	(362.2)	(377.4)	(378.3)	(378.3)
Benefits	(165.8)	(114.2)	(106.2)	(110.0)
Pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Subsidy payments	(49.0)	(51.0)	(37.9)	(40.7)
Distributions - tax authorities	(253.1)	(241.2)	(237.3)	(227.7)
Distributions - UTGO (unsecured)	(9.0)	(9.0)	(9.0)	(9.0)
Distributions - DDA increment	(17.0)	(17.0)	(17.0)	(17.0)
Income tax refunds	(534.3)	(547.1)	(504.0)	(516.0)
A/P and other miscellaneous	(59.3)	(37.2)	-	-
Professional fees	(1,475.2)	(1,419.9)	(1,315.9)	(1,325.3)
Sub-total operating disbursements	(58.8)	(92.8)	(125.5)	(125.5)
POC and debt related payments	(1,534.0)	(1,512.7)	(1,441.4)	(1,450.8)
Total disbursements	87.6	(62.9)	6.6	(17.0)

Net cash flow

Beginning cash balance	71.3	158.9	96.0	102.7
Net cash flow	87.6	(62.9)	6.6	(17.0)
Cash before required distributions	158.9	96.0	102.7	85.7
Accumulated property tax distributions	(35.3)	(35.3)	(35.3)	(35.3)
Cash net of distributions	\$ 123.6	\$ 60.7	\$ 67.4	\$ 50.4

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow	59.5	59.5	59.5	59.5
Reimbursements owed to other funds	tbd	tbd	tbd	tbd

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Appendix A
Reinvestment Adjustments Summary
Work in Process - Subject to Material Change

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Monthly Cash Flow Forecast FY 2014 - Appendix A (reinvestment adjustments summary)

Monthly Cash Flow Forecast FY 2014 - Appendix A (reinvestment adjustments summary)

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£ in millions

	Actual Jul-13	Actual Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	2A + 10F FY 2014
Operating Receipts													
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Gaming taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal service fee to casinos	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	(0.2)	0.1	0.2	0.2	0.2	7.0	2.5	2.5	2.5	2.5	2.0	19.1
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	-	(0.2)	0.1	0.2	0.2	0.2	7.0	2.5	2.5	2.5	2.5	2.0	19.1
Operating Disbursements													
Payroll, taxes, & deductions	-	(0.1)	(1.2)	(1.1)	(1.1)	(1.1)	(1.8)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(16.6)
Benefits	-	(0.1)	(0.7)	(0.7)	(0.7)	(0.7)	(1.1)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(9.8)
Pension contributions	-	(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.4)
Subsidy payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - tax authorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax refunds	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P and other miscellaneous	-	(4.8)	(2.7)	(2.6)	(2.6)	(2.6)	(19.4)	(19.5)	(18.1)	(16.2)	(16.2)	(16.2)	(118.3)
Professional fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total operating disbursements	-	(11.3)	(6.7)	(6.5)	(6.5)	(6.5)	(24.4)	(25.1)	(23.8)	(21.9)	(21.9)	(21.9)	(170.1)
POC and debt related payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	(11.3)	(6.7)	(6.5)	(6.5)	(6.5)	(24.4)	(25.1)	(23.8)	(21.9)	(21.9)	(21.9)	(170.1)
Net cash flow	-	(11.5)	(6.6)	(6.3)	(6.3)	(6.3)	(17.4)	(22.7)	(21.4)	(19.4)	(19.4)	(19.9)	(151.0)
Cumulative net cash flow	-	(11.5)	(18.1)	(24.4)	(30.7)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	-
Beginning cash balance	-	-	(11.5)	(18.1)	(24.4)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	(151.0)
Net cash flow	-	(11.5)	(6.6)	(6.3)	(6.3)	(6.3)	(17.4)	(22.7)	(21.4)	(19.4)	(19.4)	(19.9)	(151.0)
Cash before required distributions	-	(11.5)	(18.1)	(24.4)	(30.7)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	(151.0)
Accumulated property tax distributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash net of distributions	-	(11.5)	(18.1)	(24.4)	(30.7)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	\$ (151.0)

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

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Monthly Cash Flow Forecast FY 2015 - Appendix A (reinvestment adjustments summary)

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\$ in millions

	Forecast Jul-14	Forecast Aug-14	Forecast Sep-14	Forecast Oct-14	Forecast Nov-14	Forecast Dec-14	Forecast Jan-15	Forecast Feb-15	Forecast Mar-15	Forecast Apr-15	Forecast May-15	Forecast Jun-15	Forecast FY 2015
Operating Receipts													
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Gaming taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal service fee to casinos	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	2.5	2.6	2.6	2.6	2.6	2.6	2.6	3.5	3.5	3.5	3.5	2.6	34.3
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	2.5	2.6	2.6	2.6	2.6	2.6	2.6	3.5	3.5	3.5	3.5	2.6	34.3
Operating Disbursements													
Payroll, taxes, & deductions	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(23.2)
Benefits	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(13.5)
Pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)
Subsidy payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - tax authorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax refunds	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P and other miscellaneous	(12.5)	(12.5)	(13.4)	(22.5)	(11.4)	(11.4)	(14.8)	(14.8)	(14.8)	(13.8)	(13.8)	(13.8)	(169.3)
Professional fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total operating disbursements	(17.8)	(17.8)	(18.8)	(27.8)	(16.8)	(16.8)	(20.1)	(19.8)	(19.7)	(18.8)	(18.8)	(18.8)	(231.7)
POC and debt related payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	(17.8)	(17.8)	(18.8)	(27.8)	(16.8)	(16.8)	(20.1)	(19.8)	(19.7)	(18.8)	(18.8)	(18.8)	(231.7)
Net cash flow	(15.3)	(15.3)	(16.2)	(25.3)	(14.2)	(14.2)	(17.6)	(16.3)	(16.3)	(15.3)	(15.3)	(16.2)	(197.4)
Cumulative net cash flow	(15.3)	(30.5)	(46.7)	(72.0)	(86.2)	(100.4)	(118.0)	(134.3)	(150.6)	(165.9)	(181.2)	(197.4)	
Beginning cash balance	(151.0)	(166.3)	(181.5)	(197.7)	(223.0)	(237.2)	(251.5)	(269.0)	(285.4)	(301.6)	(316.9)	(332.3)	(151.0)
Net cash flow	(15.3)	(15.3)	(16.2)	(25.3)	(14.2)	(14.2)	(17.6)	(16.3)	(16.3)	(15.3)	(15.3)	(16.2)	(197.4)
Cash before required distributions	(166.3)	(181.5)	(197.7)	(223.0)	(237.2)	(251.5)	(269.0)	(285.4)	(301.6)	(316.9)	(332.3)	(348.5)	(348.5)
Accumulated property tax distributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash net of distributions	\$ (166.3)	\$ (181.5)	\$ (197.7)	\$ (223.0)	\$ (237.2)	\$ (251.5)	\$ (269.0)	\$ (285.4)	\$ (301.6)	\$ (316.9)	\$ (332.3)	\$ (348.5)	\$ (348.5)

CONFIDENTIAL - PRELIMINARY ~~DRAFT~~ - SUBJECT TO CHANGE

Project Piston

Annual Cash Flow Forecast - Appendix A (reinvestment adjustments summary)

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\$ in millions

Operating Receipts

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
Property taxes	\$ -	\$ -	\$ -	-
Income & utility taxes	-	-	-	-
Gaming taxes	-	-	-	-
Municipal service fee to casinos	-	-	-	-
State revenue sharing	-	-	-	-
Other receipts	19.1	34.3	40.8	48.0
Financing proceeds	-	-	-	-

Total operating receipts

	19.1	34.3	40.8	48.0
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Operating Disbursements

Payroll, taxes, & deductions	(16.6)	(23.2)	(15.2)	(15.5)
Benefits	(9.8)	(13.5)	(8.9)	(8.9)
Pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Subsidy payments	-	-	-	-
Distributions - tax authorities	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-
Distributions - DDA increment	-	-	-	-
Income tax refunds	-	-	-	-
A/P and other miscellaneous	(118.3)	(169.3)	(124.5)	(138.2)
Professional fees	-	-	-	-

Sub-total operating disbursements

	(170.1)	(231.7)	(174.8)	(189.3)
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POC and debt related payments

	-	-	-	-
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Total disbursements

	(170.1)	(231.7)	(174.8)	(189.3)
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Net cash flow

Cumulative net cash flow	(151.0)	(197.4)	(134.0)	(141.3)
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Beginning cash balance

	-	(151.0)	(348.5)	(482.5)
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Net cash flow

	(151.0)	(197.4)	(134.0)	(141.3)
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Cash before required distributions

	(151.0)	(348.5)	(482.5)	(623.8)
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Accumulated property tax distributions

	-	-	-	-
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Cash net of distributions

	(151.0)	(348.5)	(482.5)	(623.8)
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CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Appendix B
Reinvestment Adjustments Detail
Work in Process - Subject to Material Change

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE
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\$ in millions

Other restructuring receipts

	Actual Jul-13	Actual Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	2A + 10F FY 2014
Collections	\$ -	\$ -	\$ -	(0.1)	(0.1)	(0.1)	\$ -	0.1	\$ -	0.1	\$ -	0.1	\$ -
Increased collection rate	-	-	0.4	0.1	0.1	0.1	0.4	0.6	0.6	0.6	0.6	0.4	4.2
Collection of past due	-	-	0.4	0.1	0.1	0.1	1.0	1.2	1.2	1.2	1.2	1.0	7.6
Pricing/Fees	-	-	0.5	0.4	0.4	0.4	0.6	0.6	0.6	0.6	0.6	0.6	5.5
Grant revenue	-	-	(1.5)	(0.4)	(0.4)	(0.4)	4.9	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	1.4
Tax revenue upside	-	-	-	-	-	-	-	-	-	-	-	-	-

Total other restructuring receipts

	-	-	(0.2)	0.1	0.2	0.2	7.0	2.5	2.5	2.5	2.5	2.0	19.1
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Other restructuring disbursements

Permanent labor	-	-	(0.1)	(1.2)	(1.1)	(1.1)	(1.8)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(16.6)
Benefits	-	-	(0.1)	(0.7)	(0.7)	(0.7)	(1.1)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(9.8)
DC pension contributions	-	-	(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.4)
Sub-total labor related	-	-	(6.5)	(4.0)	(3.9)	(3.9)	(5.0)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(51.8)

Professional & contract services

Training	-	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.3)
Materials and supplies	-	-	-	(0.1)	(0.1)	(0.1)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(4.3)
Utilities	-	-	(0.0)	(0.1)	(0.0)	(0.0)	(0.4)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(4.1)
Purchased services	-	-	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Risk management/insurance	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(1.9)
Transfers in/out (General Fund)	-	-	-	-	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
Other	-	-	(0.1)	(0.1)	-	-	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.2)
Blight	-	-	0.1	(0.0)	0.0	0.0	0.2	0.3	0.3	0.3	0.3	0.3	1.9
PLD decommission	-	-	(0.5)	(0.5)	(0.5)	(0.5)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(30.5)
Technology infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures	-	-	(2.6)	(0.8)	(0.8)	(0.8)	(2.0)	(2.0)	(2.0)	(1.9)	(1.9)	(1.9)	(16.6)
Other infrastructure	-	-	(0.8)	(0.4)	(0.4)	(0.4)	(4.3)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(27.0)
Reorganization costs	-	-	-	-	-	-	(6.0)	(6.0)	(2.1)	(0.2)	(0.2)	(0.2)	(14.9)
Deferral of expenditures	-	-	(0.8)	(0.6)	(0.6)	(0.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(18.2)
Sub-total capex and other	-	-	(4.8)	(2.7)	(2.6)	(2.6)	(19.4)	(19.5)	(18.1)	(16.2)	(16.2)	(16.2)	(118.3)

Total other restructuring disbursements

	-	-	(11.3)	(6.7)	(6.5)	(6.5)	(24.4)	(25.1)	(23.8)	(21.9)	(21.9)	(21.9)	(170.1)
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Net impact of reinvestment

	\$ -	\$ -	\$ (11.5)	\$ (6.6)	\$ (6.3)	\$ (6.3)	\$ (17.4)	\$ (22.7)	\$ (21.4)	\$ (19.4)	\$ (19.4)	\$ (19.9)	\$ (151.0)
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Cumulative net cash flow

	-	-	(11.5)	(18.1)	(24.4)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	
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\$ in millions

	Forecast Jul-14	Forecast Aug-14	Forecast Sep-14	Forecast Oct-14	Forecast Nov-14	Forecast Dec-14	Forecast Jan-15	Forecast Feb-15	Forecast Mar-15	Forecast Apr-15	Forecast May-15	Forecast Jun-15	Forecast FY 2015
Other restructuring receipts													
Collections	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.3
Increased collection rate	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.9	0.9	0.9	0.9	0.6	8.0
Collection of past due	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.8	0.8	0.8	0.8	0.2	4.8
Pricing/Fees	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	11.5
Grant revenue	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(2.4)
Tax revenue upside	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	12.2
Total other restructuring receipts	2.5	2.6	2.6	2.6	2.6	2.6	2.6	3.5	3.5	3.5	3.5	2.6	34.3
Other restructuring disbursements													
Permanent labor	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(23.2)
Benefits	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(13.5)
DC pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)
Sub-total labor related	(5.4)	(5.4)	(5.4)	(5.4)	(5.4)	(5.4)	(5.4)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(62.4)
Professional & contract services													
Training	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.9)
Materials and supplies	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(6.7)
Utilities	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(8.0)
Utilities	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	3.8
Purchased services	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(1.6)
Risk management/insurance	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.2	0.2	0.2	0.2	0.2	0.2	0.9
Transfers in/out (General Fund)	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3	0.3	0.3	2.6
Other	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	3.2
Blight	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(69.5)
PLD decommission													
Technology infrastructure	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(23.1)
Capital expenditures	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(41.1)
Other infrastructure	(0.3)	(0.3)	(1.3)	(11.4)	(0.3)	(0.3)	(0.2)	(0.2)	(1.2)	(0.2)	(0.2)	(0.2)	(16.2)
Reorganization costs	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(11.7)
Deferral of expenditures	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	25.0
Sub-total capex and other	(12.5)	(12.5)	(13.4)	(22.5)	(11.4)	(11.4)	(14.8)	(14.8)	(14.8)	(13.8)	(13.8)	(13.8)	(169.3)
Total other restructuring disbursements	(17.8)	(17.8)	(18.8)	(27.8)	(16.8)	(16.8)	(20.1)	(19.8)	(19.7)	(18.8)	(18.8)	(18.8)	(231.7)
Net impact of reinvestment	\$ (15.3)	\$ (15.3)	\$ (16.2)	\$ (25.3)	\$ (14.2)	\$ (14.2)	\$ (17.6)	\$ (16.3)	\$ (16.3)	\$ (15.3)	\$ (15.3)	\$ (16.2)	\$ (197.4)
Cumulative net cash flow	(15.3)	(30.5)	(46.7)	(72.0)	(86.2)	(100.4)	(118.0)	(134.3)	(150.6)	(165.9)	(181.2)	(197.4)	
Cumulative net cash flow (2 yr)	(166.3)	(181.5)	(197.7)	(223.0)	(237.2)	(251.5)	(269.0)	(285.4)	(301.6)	(316.9)	(332.3)	(348.5)	

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Project Piston

Annual Cash Flow Forecast - Appendix B (reinvestment adjustments detail)

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\$ in millions

Other restructuring receipts

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
Collections	\$ 0.5	\$ 0.3	\$ 0.3	\$ 2.3
Increased collection rate	4.2	8.0	9.6	12.8
Collection of past due	7.6	4.8	5.4	-
Pricing/Fees	5.5	11.5	11.5	11.5
Grant revenue	1.4	(2.4)	(2.4)	(2.4)
Tax revenue upside	-	12.2	16.4	23.8
Total other restructuring receipts	19.1	34.3	40.8	48.0

Other restructuring disbursements

Permanent labor	(16.6)	(23.2)	(15.2)	(15.5)
Benefits	(9.8)	(13.5)	(8.9)	(8.9)
DC pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Sub-total labor related	(51.8)	(62.4)	(50.3)	(51.1)
Professional & contract services	(1.3)	(1.9)	(1.9)	(1.9)
Training	(4.3)	(6.7)	(6.1)	(6.1)
Materials and supplies	(4.1)	(8.0)	(7.6)	(7.6)
Utilities	0.0	3.8	3.8	3.8
Purchased services	(1.9)	(1.6)	(0.6)	(1.1)
Risk management/insurance	(0.1)	0.9	5.9	5.9
Transfers in/ out (General Fund)	(1.2)	2.6	6.0	6.1
Other	1.9	3.2	3.3	3.3
Blight	(30.5)	(69.5)	(100.0)	(100.0)
PLD decommission	-	(25.0)	(25.0)	(25.0)
Technology infrastructure	(16.6)	(23.1)	(15.9)	(7.6)
Capital expenditures	(27.0)	(41.1)	(15.3)	(29.0)
Other infrastructure	(14.9)	(16.2)	(14.4)	(13.6)
Reorganization costs	(18.2)	(11.7)	(4.8)	(1.5)
Deferral of expenditures	-	25.0	48.0	36.1
Sub-total capex and other	(118.3)	(169.3)	(124.5)	(138.2)

Total other restructuring disbursements

	(170.1)	(231.7)	(174.8)	(189.3)
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Net impact of reinvestment

\$	(151.0)	\$ (197.4)	\$ (134.0)	\$ (141.3)
Cumulative impact of reinvestment	(151.0)	(348.5)	(482.5)	(623.8)

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Appendix C
Debt Sub-Schedules
Work in Process - Subject to Material Change

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

\$ in millions

POC and debt related payments

POC swap set-asides
LTGO set-aside - 2010 (\$250m) - principal
LTGO set-aside - 2010 (\$250m) - interest
LTGO set-aside - 2012C (\$130m) - principal
LTGO set-aside - 2012C (\$130m) - interest
Capital lease payments
DIP financing (\$350m) - principal
DIP financing (\$350m) - interest

[illegible]

Total POC and debt related payments

Monthly sub-schedules FY 2015 - Appendix C

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\$ in millions

POC and debt related payments

[illegible]

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Project Piston

Annual sub-schedules - Appendix C

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\$ in millions

POC and debt related payments

POC swap set-asides	\$	(21.1)	\$	-	\$	-	\$	-
LTGO set-aside - 2010 (\$250m) - principal		(4.3)		(6.7)		(7.0)		(7.4)
LTGO set-aside - 2010 (\$250m) - interest		(12.6)		(12.4)		(12.0)		(11.7)
LTGO set-aside - 2012C (\$130m) - principal		(2.9)		(4.4)		(4.6)		(4.9)
LTGO set-aside - 2012C (\$130m) - interest		(6.1)		(6.0)		(5.8)		(5.6)
Capital lease payments		(0.1)		-		-		-
DIP financing (\$350m) - principal		-		(42.4)		(76.9)		(82.5)
DIP financing (\$350m) - interest		(11.7)		(20.8)		(19.1)		(13.5)
Total POC and debt related payments		(58.8)		(92.8)		(125.5)		(125.5)

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

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Project Piston

Cash Flow Forecast - through FY 2017

(No Casino Trap; No DIP)

Work in Process - Subject to Material Change

Information contained herein has not been independently verified and is subject to material change based on continuing review. Accordingly, the information contained herein is not intended to be and should not be relied upon by any third party or as legal, auditing, or accounting advice.

The attached cash flows ("Cash Flows"), its assumptions and underlying data are the product of the Client and its management ("Management") and consist of information obtained solely from the Client. With respect to prospective financial information relative to the Client, Ernst & Young LLP ("EY") did not examine, compile or apply agreed upon procedures to such information in accordance with attestation standards established by the AICPA and EY expresses no assurance of any kind on the information presented. It is the Client's responsibility to make its own decision based on the information available to it. Management has the knowledge, experience and ability to form its own conclusions related to the Client's Cash Flows. There will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. EY takes no responsibility for the achievement of forecasted results. Accordingly, reliance on this report is prohibited by any third party as the projected financial information contained herein is subject to material change and may not reflect actual results.

NOTE:

General Fund cash activity and the forecasts herein are based on estimated cash activity for the General Fund main operating account. In addition to General Fund cash (fund 1000), the main operating account also contains cash balances and cash activity of the Risk Management Fund, Construction Fund, Street Funds, Solid Waste Fund, General Grants, and Motor Vehicle Fund ("other funds"). While the cash balances related to these other funds are pooled with General Fund cash, the City does maintain a separate accounting of due to/from balances for each fund. Since the General Fund commonly borrows from other funds, actual cash balance in these accounts at any given point in time is higher than that which actually belongs solely to the General Fund.

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

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Project Piston

Cash Flow Forecast Bridge

10/3/13 8:04 PM

Cash Bridge - Funds available for unsecured claims per Creditor Proposal vs. No Casino Trap Scenario (no DIP)

in millions

	FY 2014	FY 2015	FY 2016	FY 2017
Funds available for unsecured claims (per Creditor Proposal)	\$ 30.0	\$ 31.9	\$ 55.5	\$ 32.3
Retiree healthcare transition costs in CF	(104.9)	(46.8)	(40.0)	(40.0)
Higher Transportation Dept (DDOT) subsidy in CF	(17.0)	(15.8)	(0.0)	-
Accounts payable vendor risk in CF	(30.0)	-	-	-
Cash escrow reserve requirement for self-insurance certification in CF	(7.8)	-	-	-
Tax revenue upside not included	(7.4)	-	-	-
Reinvestment timing change (see Memo 1 below)	62.9	(19.6)	36.5	36.2
Refunding bond proceeds drawn from escrow	20.0	-	-	-
Total reconciling items	\$ (84.3)	\$ (82.2)	\$ (3.6)	\$ (4.0)

Net cash flow per scenario herein (No DIP)

	\$ (54.3)	\$ (50.3)	\$ 51.9	\$ 28.3
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Memo 1: Reinvestment timing change

Expenditure timing change	62.9	(44.6)	(11.5)	0.1
Deferral of expenditures	-	25.0	48.0	36.1
Reinvestment timing change	\$ 62.9	\$ (19.6)	\$ 36.5	\$ 36.2

\$ in millions

	Actual Jul-13	Actual Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	2A + 10F FY 2014
Operating Receipts													
Property taxes	\$ 32.7	\$ 177.5	\$ 13.3	\$ 6.8	\$ 3.2	\$ 22.1	\$ 142.5	\$ 21.3	\$ 4.9	\$ 1.4	\$ 2.6	\$ 40.2	\$ 468.4
Income & utility taxes	25.8	21.8	22.6	28.8	23.0	22.6	28.8	23.8	23.0	28.8	22.6	23.0	294.7
Gaming taxes	21.2	12.7	8.9	22.9	10.3	9.4	22.0	9.8	15.0	17.3	13.1	11.7	174.2
Municipal service fee to casinos	-	7.3	-	-	4.0	4.0	2.1	-	-	-	-	-	17.4
State revenue sharing	30.1	-	30.8	-	30.8	-	30.8	-	30.8	-	30.8	-	184.3
Other receipts	31.8	33.7	23.4	30.4	24.2	23.8	37.2	27.2	26.5	32.7	26.1	26.0	342.9
Financing proceeds	-	-	-	-	-	20.0	-	-	-	-	-	-	20.0
Total operating receipts	141.6	252.9	99.1	88.8	95.5	101.8	263.4	82.2	100.2	80.2	95.2	100.9	1,501.8
Operating Disbursements													
Payroll, taxes, & deductions													
Benefits	(33.9)	(29.4)	(26.1)	(36.0)	(27.2)	(27.2)	(32.1)	(28.3)	(28.3)	(37.0)	(28.3)	(28.3)	(362.2)
Pension contributions	(13.8)	(14.5)	(15.8)	(16.5)	(16.4)	(16.4)	(16.8)	(15.6)	(15.6)	(8.1)	(8.1)	(8.1)	(165.8)
Subsidy payments	(3.3)	(0.1)	(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.4)
Distributions - tax authorities	-	(83.2)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(49.0)
Distributions - UTGO (unsecured)	-	-	(46.8)	(6.7)	(1.2)	(1.5)	(67.1)	(24.5)	(12.1)	(2.0)	-	(8.0)	(253.1)
Distributions - DDA increment	-	-	-	-	-	(8.0)	-	-	-	-	-	-	-
Income tax refunds	(2.6)	(1.1)	(0.6)	(0.3)	(1.4)	(0.9)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(5.4)	(9.0)
A/P and other miscellaneous	(44.2)	(25.0)	(39.8)	(45.7)	(38.3)	(33.7)	(61.2)	(43.0)	(52.5)	(56.9)	(47.0)	(47.0)	(534.3)
Professional fees	(2.3)	(1.5)	(5.1)	(8.2)	(6.4)	(5.8)	(5.8)	(5.5)	(4.7)	(4.6)	(4.8)	(4.7)	(59.3)
Sub-total operating disbursements	(100.2)	(154.7)	(145.1)	(120.0)	(97.7)	(100.3)	(190.3)	(123.9)	(120.2)	(117.7)	(96.1)	(109.1)	(1,475.2)
POC and debt related payments	(11.6)	(4.2)	(7.3)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(81.0)
Total disbursements	(111.8)	(159.0)	(152.4)	(124.2)	(106.8)	(104.6)	(199.4)	(128.1)	(129.4)	(121.9)	(105.2)	(113.4)	(1,556.1)
Net cash flow	29.8	93.9	(53.3)	(35.4)	(11.3)	(2.8)	64.0	(45.9)	(29.2)	(41.7)	(10.0)	(12.4)	(54.3)
Cumulative net cash flow	29.8	123.7	70.4	35.1	23.7	21.0	85.0	39.0	9.8	(31.9)	(41.9)	(54.3)	
Beginning cash balance	71.3	101.1	195.0	141.7	106.4	95.0	92.3	156.3	110.3	81.2	39.4	29.4	71.3
Net cash flow	29.8	93.9	(53.3)	(35.4)	(11.3)	(2.8)	64.0	(45.9)	(29.2)	(41.7)	(10.0)	(12.4)	(54.3)
Cash before required distributions	101.1	195.0	141.7	106.4	95.0	92.3	156.3	110.3	81.2	39.4	29.4	17.0	17.0
Accumulated property tax distributions	(56.9)	(85.7)	(48.2)	(46.3)	(47.3)	(62.7)	(105.9)	(98.4)	(33.3)	(32.4)	(34.5)	(35.3)	(35.3)
Cash net of distributions	\$ 44.3	\$ 109.4	\$ 93.5	\$ 60.1	\$ 47.7	\$ 29.6	\$ 50.4	\$ 11.9	\$ 47.8	\$ 7.0	\$ (5.1)	\$ (18.3)	\$ (18.3)
Memo: (not included in cash flows above)													
Refunding bond proceeds in escrow	79.5	79.5	79.5	79.5	79.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5
Reimbursements owed to other funds	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow
Reimbursements owed to other funds

\$ in millions

	Forecast Jul-14	Forecast Aug-14	Forecast Sep-14	Forecast Oct-14	Forecast Nov-14	Forecast Dec-14	Forecast Jan-15	Forecast Feb-15	Forecast Mar-15	Forecast Apr-15	Forecast May-15	Forecast Jun-15	Forecast FY 2015
Operating Receipts													
Property taxes	\$ 31.0	\$ 168.3	\$ 12.6	\$ 6.4	\$ 3.1	\$ 20.9	\$ 135.1	\$ 20.2	\$ 4.7	\$ 1.3	\$ 2.5	\$ 38.1	\$ 444.2
Income & utility taxes	28.5	22.5	22.1	28.1	22.5	22.1	28.1	23.3	22.5	28.1	22.1	22.5	292.3
Gaming taxes	14.5	14.0	8.9	22.8	10.3	9.3	21.9	9.8	14.9	17.2	13.1	11.7	168.3
Municipal service fee to casinos	-	7.3	-	-	4.0	4.0	2.1	-	-	-	-	-	17.4
State revenue sharing	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	186.1
Other receipts	27.5	26.1	26.2	32.8	26.6	26.2	32.8	28.3	27.5	33.7	27.1	26.6	341.6
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	132.5	238.1	100.8	90.2	97.4	82.5	251.1	81.6	100.6	80.4	95.7	98.9	1,449.9
Operating Disbursements													
Payroll, taxes, & deductions	(33.8)	(29.3)	(29.3)	(38.4)	(29.3)	(29.3)	(33.8)	(29.0)	(29.0)	(38.2)	(29.0)	(29.0)	(377.4)
Benefits	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.4)	(9.4)	(9.4)	(9.4)	(9.4)	(114.2)
Pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)
Subsidy payments	(5.6)	(2.9)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(51.0)
Distributions - tax authorities	-	(68.9)	(44.4)	(6.3)	(1.2)	(1.5)	(63.6)	(23.2)	(22.7)	(1.9)	-	(7.5)	(241.2)
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)
Income tax refunds	(2.6)	(1.1)	(0.6)	(0.3)	(1.4)	(0.9)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(5.4)	(17.0)
A/P and other miscellaneous	(48.0)	(41.9)	(42.1)	(58.8)	(40.9)	(40.9)	(50.3)	(44.2)	(44.2)	(49.3)	(43.2)	(43.2)	(547.1)
Professional fees	(5.2)	(4.0)	(5.6)	(3.8)	(18.6)	-	-	-	-	-	-	-	(37.2)
Sub-total operating disbursements	(107.0)	(159.7)	(137.9)	(123.6)	(107.3)	(96.5)	(164.2)	(112.6)	(112.2)	(107.5)	(89.3)	(102.1)	(1,419.9)
POC and debt related payments	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(9.1)	(4.2)	(80.2)
Total disbursements	(116.1)	(164.0)	(147.0)	(127.8)	(116.5)	(100.8)	(173.4)	(116.8)	(121.3)	(111.7)	(98.4)	(106.3)	(1,500.1)
Net cash flow													
Cumulative net cash flow	16.4	74.2	(46.2)	(37.6)	(19.1)	(18.2)	77.7	(35.3)	(20.7)	(31.3)	(2.7)	(7.4)	(50.3)
Beginning cash balance	16.4	90.5	44.3	6.7	(12.3)	(30.6)	47.1	11.9	(8.9)	(40.2)	(42.9)	(50.3)	17.0
Net cash flow	17.0	33.3	407.5	61.3	23.7	4.7	(13.6)	64.1	28.9	8.1	(23.2)	(25.9)	17.0
Cash before required distributions	16.4	74.2	(46.2)	(37.6)	(19.1)	(18.2)	77.7	(35.3)	(20.7)	(31.3)	(2.7)	(7.4)	(50.3)
Accumulated property tax distributions	33.3	107.5	61.3	23.7	4.7	(13.6)	64.1	28.9	8.1	(23.2)	(25.9)	(33.3)	(33.3)
Cash net of distributions	(55.8)	(87.9)	(51.9)	(49.8)	(50.6)	(64.8)	(103.4)	(96.3)	(34.6)	(33.7)	(35.7)	(35.3)	(35.3)
	\$ (22.4)	\$ 19.6	\$ 9.5	\$ (26.1)	\$ (46.0)	\$ (78.4)	\$ (39.3)	\$ (67.4)	\$ (26.4)	\$ (56.9)	\$ (61.6)	\$ (68.6)	\$ (68.6)

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow

Reimbursements owed to other funds

Project Piston

Annual Cash Flow Forecast - No DIP Financing Scenario (including reinvestment)

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\$ in millions

Operating Receipts

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
Property taxes	\$ 468.4	\$ 444.2	\$ 430.7	\$ 416.2
Income & utility taxes	294.7	292.3	294.0	296.1
Gaming taxes	174.2	168.3	170.0	171.7
Municipal service fee to casinos	17.4	17.4	17.4	17.4
State revenue sharing	184.3	186.1	187.9	189.5
Other receipts	342.9	341.6	348.1	343.0
Financing proceeds	20.0	-	-	-

Total operating receipts

1,501.8 1,449.9 1,448.0 1,433.8

Operating Disbursements

Payroll, taxes, & deductions	(362.2)	(377.4)	(378.3)	(378.3)
Benefits	(165.8)	(114.2)	(106.2)	(110.0)
Pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Subsidy payments	(49.0)	(51.0)	(37.9)	(40.7)
Distributions - tax authorities	(253.1)	(241.2)	(237.3)	(227.7)
Distributions - UTGO (unsecured)	(9.0)	(9.0)	(9.0)	(9.0)
Distributions - DDA increment	(17.0)	(17.0)	(17.0)	(17.0)
Income tax refunds	(534.3)	(547.1)	(504.0)	(516.0)
A/P and other miscellaneous	(59.3)	(37.2)	-	-
Professional fees	(1,475.2)	(1,419.9)	(1,315.9)	(1,325.3)

Sub-total operating disbursements

(81.0) (80.2) (80.2) (80.2)

POC and debt related payments

Total disbursements

(1,556.1) (1,500.1) (1,396.1) (1,405.5)

Net cash flow

(54.3) (50.3) 51.9 28.3

Beginning cash balance

71.3 17.0 33.3 18.6

Net cash flow

(54.3) (50.3) 51.9 28.3

Cash before required distributions

17.0 33.3 18.6 46.9

Accumulated property tax distributions

(35.3) (35.3) (35.3) (35.3)

Cash net of distributions

\$ (18.3) \$ (68.6) \$ (16.7) \$ 11.6

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow

Reimbursements owed to other funds

59.5 tbd

59.5 tbd

59.5 tbd

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Appendix A
Reinvestment Adjustments Summary
Work in Process - Subject to Material Change

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

\$ in millions

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Operating Receipts																	
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gaming taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal service fee to casinos	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	2.5	2.6	2.6	2.6	2.6	2.6	2.6	3.5	3.5	3.5	3.5	2.6	2.6	34.3			
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	2.5	2.6	2.6	2.6	2.6	2.6	2.6	3.5	3.5	3.5	3.5	2.6	2.6	34.3			
Operating Disbursements																	
Payroll, taxes, & deductions	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(23.2)			
Benefits	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(13.5)			
Pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)			
Subsidy payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - tax authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P and other miscellaneous	(12.5)	(12.5)	(13.4)	(22.5)	(11.4)	(11.4)	(14.8)	(14.8)	(14.8)	(13.8)	(13.8)	(13.8)	(13.8)	(169.3)			
Professional fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total operating disbursements	(17.8)	(17.8)	(18.8)	(27.8)	(16.8)	(16.8)	(20.1)	(19.8)	(19.7)	(18.8)	(18.8)	(18.8)	(18.8)	(231.7)			
POC and debt related payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	(17.8)	(17.8)	(18.8)	(27.8)	(16.8)	(16.8)	(20.1)	(19.8)	(19.7)	(18.8)	(18.8)	(18.8)	(18.8)	(231.7)			
Net cash flow	(15.3)	(15.3)	(16.2)	(25.3)	(14.2)	(14.2)	(17.6)	(16.3)	(16.3)	(15.3)	(15.3)	(16.2)	(16.2)	(197.4)			
Cumulative net cash flow	(15.3)	(30.5)	(46.7)	(72.0)	(86.2)	(100.4)	(118.0)	(134.3)	(150.6)	(165.9)	(181.2)	(197.4)	(197.4)				
Beginning cash balance	(151.0)	(166.3)	(181.5)	(197.7)	(223.0)	(237.2)	(251.5)	(269.0)	(285.4)	(301.6)	(316.9)	(332.3)	(332.3)	(151.0)			
Net cash flow	(15.3)	(15.3)	(16.2)	(25.3)	(14.2)	(14.2)	(17.6)	(16.3)	(16.3)	(15.3)	(15.3)	(16.2)	(16.2)	(197.4)			
Cash before required distributions	(166.3)	(181.5)	(197.7)	(223.0)	(237.2)	(251.5)	(269.0)	(285.4)	(301.6)	(316.9)	(332.3)	(332.3)	(332.3)	(348.5)			
Accumulated property tax distributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash net of distributions	\$ (166.3)	\$ (181.5)	\$ (197.7)	\$ (223.0)	\$ (237.2)	\$ (251.5)	\$ (269.0)	\$ (285.4)	\$ (301.6)	\$ (316.9)	\$ (332.3)	\$ (332.3)	\$ (332.3)	\$ (348.5)			

Project Piston

Annual Cash Flow Forecast - Appendix A (reinvestment adjustments summary)

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\$ in millions

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
Operating Receipts				
Property taxes	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-
Gaming taxes	-	-	-	-
Municipal service fee to casinos	-	-	-	-
State revenue sharing	-	-	-	-
Other receipts	19.1	34.3	40.8	48.0
Financing proceeds	-	-	-	-
Total operating receipts	19.1	34.3	40.8	48.0
Operating Disbursements				
Payroll, taxes, & deductions	(16.6)	(23.2)	(15.2)	(15.5)
Benefits	(9.8)	(13.5)	(8.9)	(8.9)
Pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Subsidy payments	-	-	-	-
Distributions - tax authorities	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-
Distributions - DDA increment	-	-	-	-
Income tax refunds	-	-	-	-
A/P and other miscellaneous	(118.3)	(169.3)	(124.5)	(138.2)
Professional fees	-	-	-	-
Sub-total operating disbursements	(170.1)	(231.7)	(174.8)	(189.3)
POC and debt related payments	-	-	-	-
Total disbursements	(170.1)	(231.7)	(174.8)	(189.3)
Net cash flow	(151.0)	(197.4)	(134.0)	(141.3)
Cumulative net cash flow	-	-	-	-
Beginning cash balance	-	(151.0)	(348.5)	(482.5)
Net cash flow	(151.0)	(197.4)	(134.0)	(141.3)
Cash before required distributions	(151.0)	(348.5)	(482.5)	(623.8)
Accumulated property tax distributions	-	-	-	-
Cash net of distributions	(151.0)	(348.5)	(482.5)	(623.8)

Appendix B
Reinvestment Adjustments Detail
Work in Process - Subject to Material Change

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE
10/7

\$ in millions

Other restructuring receipts

Collections
Increased collection rate
Collection of past due
Pricing/Fees
Grant revenue
Tax revenue upside

Total other restructuring receipts

Other restructuring disbursements

Permanent labor
Benefits
DC pension contributions
Sub-total labor related

Professional & contract services
Training
Materials and supplies
Utilities
Purchased services
Risk management/insurance
Transfers in/out (General Fund)
Other
Blight
PLD decommission

Technology infrastructure
Capital expenditures
Other infrastructure
Reorganization costs
Deferral of expenditures
Sub-total capex and other

Total other restructuring disbursements

Net impact of reinvestment
Cumulative net cash flow

Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	2A + 10F
Jul-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jun-14	Jun-14	Jun-14	Jun-14	Jun-14	Jun-14	FY 2014
\$ -	\$ -	\$ -	(0.1)	(0.1)	(0.1)	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.5
-	0.4	0.1	0.1	0.1	0.4	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.4	4.2
-	0.4	0.1	0.1	0.1	1.0	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.0	7.6
-	0.5	0.4	0.4	0.4	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	5.5
-	(1.5)	(0.4)	(0.4)	(0.4)	4.9	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	1.4	1.4
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	(0.2)	0.1	0.2	0.2	7.0	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.0	19.1	19.1
-	(0.1)	(1.2)	(1.1)	(1.1)	(1.8)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(16.6)
-	(0.1)	(0.7)	(0.7)	(0.7)	(1.1)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(9.8)
-	(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.4)
-	(6.5)	(4.0)	(3.9)	(3.9)	(5.0)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(51.8)
-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.3)
-	-	(0.1)	(0.1)	(0.1)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(4.3)
-	(0.0)	(0.1)	(0.0)	(0.0)	(0.4)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(4.1)
-	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-	(0.0)	(0.0)	(0.0)	(0.0)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(1.9)
-	-	-	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
-	(0.1)	(0.1)	-	-	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.2)
-	0.1	(0.0)	0.0	0.0	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1.9
-	(0.5)	(0.5)	(0.5)	(0.5)	(3.0)	(3.0)	(3.0)	(3.0)	(5.6)	(5.6)	(5.6)	(5.6)	(5.6)	(5.6)	(5.6)	(5.6)	(30.5)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	(2.6)	(0.8)	(0.8)	(0.8)	(0.8)	(2.0)	(2.0)	(2.0)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(16.6)
-	(0.8)	(0.4)	(0.4)	(0.4)	(4.3)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(27.0)
-	-	-	-	-	(6.0)	(6.0)	(2.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(14.9)
-	(0.8)	(0.6)	(0.6)	(0.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(18.2)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	(4.8)	(2.7)	(2.6)	(2.6)	(19.4)	(19.5)	(18.1)	(16.2)	(16.2)	(16.2)	(16.2)	(16.2)	(16.2)	(16.2)	(16.2)	(16.2)	(118.3)
-	(11.3)	(6.7)	(6.5)	(6.5)	(24.4)	(25.1)	(23.8)	(21.9)	(21.9)	(21.9)	(21.9)	(21.9)	(21.9)	(21.9)	(21.9)	(21.9)	(170.1)
\$ -	\$ -	\$ -	\$ (6.6)	\$ (6.3)	\$ (6.3)	\$ (17.4)	\$ (22.7)	\$ (21.4)	\$ (19.4)	\$ (19.4)	\$ (19.4)	\$ (19.4)	\$ (19.4)	\$ (19.4)	\$ (19.9)	\$ (19.9)	\$ (151.0)
-	(11.5)	(18.1)	(24.4)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	(151.0)	(151.0)	(151.0)	(151.0)	(151.0)	(151.0)	(151.0)

Monthly Cash Flow Forecast FY 2015 - Appendix B (reinvestment adjustments detail)

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\$ in millions

	Forecast Jul-14	Forecast Aug-14	Forecast Sep-14	Forecast Oct-14	Forecast Nov-14	Forecast Dec-14	Forecast Jan-15	Forecast Feb-15	Forecast Mar-15	Forecast Apr-15	Forecast May-15	Forecast Jun-15	Forecast FY 2015
Other restructuring receipts													
Collections	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.3
Increased collection rate	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.9	0.9	0.9	0.9	0.6	8.0
Collection of past due	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.8	0.8	0.8	0.8	0.2	4.8
Pricing/Fees	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	11.5
Grant revenue	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(2.4)
Tax revenue upside	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	12.2
Total other restructuring receipts	2.5	2.6	2.6	2.6	2.6	2.6	2.6	3.5	3.5	3.5	3.5	2.6	34.3
Other restructuring disbursements													
Permanent labor	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(23.2)
Benefits	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(13.5)
DC pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)
Sub-total labor related	(5.4)	(5.4)	(5.4)	(5.4)	(5.4)	(5.4)	(5.4)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(62.4)
Professional & contract services													
Training	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.9)
Materials and supplies	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(6.7)
Utilities	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(8.0)
Utilities	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	3.8
Purchased services	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(1.6)
Risk management/insurance	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.2	0.2	0.2	0.2	0.2	0.2	0.9
Transfers in/out (General Fund)	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3	0.3	0.3	2.6
Other	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	3.2
Blight	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(5.8)	(69.5)
PLD decommission	-	-	-	-	-	-	(4.2)	(4.2)	(4.2)	(4.2)	(4.2)	(4.2)	(25.0)
Technology infrastructure	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(23.1)
Capital expenditures	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(41.1)
Other infrastructure	(0.3)	(0.3)	(1.3)	(11.4)	(0.3)	(0.3)	(0.2)	(0.2)	(1.2)	(0.2)	(0.2)	(0.2)	(16.2)
Reorganization costs	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(11.7)
Deferral of expenditures	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	25.0
Sub-total capex and other	(12.5)	(12.5)	(13.4)	(22.5)	(11.4)	(11.4)	(14.8)	(14.8)	(14.8)	(13.8)	(13.8)	(13.8)	(169.3)
Total other restructuring disbursements	(17.8)	(17.8)	(18.8)	(27.8)	(16.8)	(16.8)	(20.1)	(19.8)	(19.7)	(18.8)	(18.8)	(18.8)	(231.7)
Net impact of reinvestment	\$ (15.3)	\$ (15.3)	\$ (16.2)	\$ (25.3)	\$ (14.2)	\$ (14.2)	\$ (17.6)	\$ (16.3)	\$ (16.3)	\$ (15.3)	\$ (15.3)	\$ (16.2)	\$ (197.4)
Cumulative net cash flow	(15.3)	(30.5)	(46.7)	(72.0)	(86.2)	(100.4)	(118.0)	(134.3)	(150.6)	(165.9)	(181.2)	(197.4)	

Project Piston

Annual Cash Flow Forecast - Appendix B (reinvestment adjustments detail)

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\$ in millions

Other restructuring receipts

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
Collections	\$ 0.5	\$ 0.3	\$ 0.3	\$ 2.3
Increased collection rate	4.2	8.0	9.6	12.8
Collection of past due	7.6	4.8	5.4	-
Pricing/Fees	5.5	11.5	11.5	11.5
Grant revenue	1.4	(2.4)	(2.4)	(2.4)
Tax revenue upside	-	12.2	16.4	23.8
Total other restructuring receipts	19.1	34.3	40.8	48.0

Other restructuring disbursements

Permanent labor	(16.6)	(23.2)	(15.2)	(15.5)
Benefits	(9.8)	(13.5)	(8.9)	(8.9)
DC pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Sub-total labor related	(51.8)	(62.4)	(50.3)	(51.1)

Professional & contract services

Training	(1.3)	(1.9)	(1.9)	(1.9)
Materials and supplies	(4.3)	(6.7)	(6.1)	(6.1)
Utilities	(4.1)	(8.0)	(7.6)	(7.6)
Purchased services	0.0	3.8	3.8	3.8
Risk management/insurance	(1.9)	(1.6)	(0.6)	(1.1)
Transfers in/out (General Fund)	(0.1)	0.9	5.9	5.9
Other	(1.2)	2.6	6.0	6.1
Blight	1.9	3.2	3.3	3.3
PLD decommission	(30.5)	(69.5)	(100.0)	(100.0)
Technology infrastructure	-	(25.0)	(25.0)	(25.0)
Capital expenditures	(16.6)	(23.1)	(15.9)	(7.6)
Other infrastructure	(27.0)	(41.1)	(15.3)	(29.0)
Reorganization costs	(14.9)	(16.2)	(14.4)	(13.6)
Deferral of expenditures	(18.2)	(11.7)	(4.8)	(1.5)
Sub-total capex and other	-	25.0	48.0	36.1
	(118.3)	(169.3)	(124.5)	(138.2)

Total other restructuring disbursements

	(170.1)	(231.7)	(174.8)	(189.3)
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Net impact of reinvestment

	\$ (151.0)	\$ (197.4)	\$ (134.0)	\$ (141.3)
Cumulative impact of reinvestment	(151.0)	(348.5)	(482.5)	(623.8)

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Appendix C
Debt Sub-Schedules
Work in Process - Subject to Material Change

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\$ in millions

POC and debt related payments

POC swap set-asides
LTGO set-aside - 2010 (\$250m) - principal
LTGO set-aside - 2010 (\$250m) - interest
LTGO set-aside - 2012C (\$130m) - principal
LTGO set-aside - 2012C (\$130m) - interest
Capital lease payments

Total POC and debt related payments

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\$ in millions

[illegible]

Project Piston

Annual sub-schedules - Appendix C

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\$ in millions

POC and debt related payments

POC swap set-asides					
LTGO set-aside - 2010 (\$250m) - principal	\$ (55.0)	\$ (50.7)	\$ (50.7)	\$ (50.7)	
LTGO set-aside - 2010 (\$250m) - interest	(4.3)	(6.7)	(7.0)	(7.4)	
LTGO set-aside - 2012C (\$130m) - principal	(12.6)	(12.4)	(12.0)	(11.7)	
LTGO set-aside - 2012C (\$130m) - interest	(2.9)	(4.4)	(4.6)	(4.9)	
Capital lease payments	(6.1)	(6.0)	(5.8)	(5.6)	
	(0.1)	-	-	-	
Total POC and debt related payments	(81.0)	(80.2)	(80.2)	(80.2)	

Project Piston

Cash Flow Forecast - through FY 2017
(Casino Trap; No DIP)

Work in Process - Subject to Material Change

Information contained herein has not been independently verified and is subject to material change based on continuing review. Accordingly, the information contained herein is not intended to be and should not be relied upon by any third party or as legal, auditing, or accounting advice.

The attached cash flows ("Cash Flows"), its assumptions and underlying data are the product of the Client and its management ("Management") and consist of information obtained solely from the Client. With respect to prospective financial information relative to the Client, Ernst & Young LLP ("EY") did not examine, compile or apply agreed upon procedures to such information in accordance with attestation standards established by the AICPA and EY expresses no assurance of any kind on the information presented. It is the Client's responsibility to make its own decision based on the information available to it. Management has the knowledge, experience and ability to form its own conclusions related to the Client's Cash Flows. There will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. EY takes no responsibility for the achievement of forecasted results. Accordingly, reliance on this report is prohibited by any third party as the projected financial information contained herein is subject to material change and may not reflect actual results.

NOTE:

General Fund cash activity and the forecasts herein are based on estimated cash activity for the General Fund main operating account. In addition to General Fund cash (fund 1000), the main operating account also contains cash balances and cash activity of the Risk Management Fund, Construction Fund, Street Funds, Solid Waste Fund, General Grants, and Motor Vehicle Fund ("other funds"). While the cash balances related to these other funds are pooled in the General Fund cash, the City does maintain a separate accounting of due to/from balances for each fund. Since the General Fund commonly borrows from other funds, actual cash balance in these accounts at any given point in time is higher than that which actually belongs solely to the General Fund.

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Cash Bridge - Funds available for unsecured claims per Creditor Proposal vs. Casino Trap Scenario (no DIP)

	FY 2014	FY 2015	FY 2016	FY 2017
Funds available for unsecured claims (per Creditor Proposal)	\$ 30.0	\$ 31.9	\$ 55.5	\$ 32.3
Retiree healthcare transition costs in CF	(104.9)	(46.8)	(40.0)	(40.0)
Higher Transportation Dept (DDOT) subsidy in CF	(17.0)	(15.8)	(0.0)	-
Accounts payable vendor risk in CF	(30.0)	-	-	-
Cash escrow reserve requirement for self-insurance certification in CF	(7.8)	-	-	-
Tax revenue upside not included	(7.4)	-	-	-
Reinvestment timing change (see Memo 1 below)	62.9	(19.6)	36.5	36.2
Trapped casino revenue	(140.3)	(168.3)	(170.0)	(171.7)
Swap payments not made	42.3	50.6	50.6	50.6
Refunding bond proceeds drawn from escrow	20.0	-	-	-
Total reconciling items	\$ (182.4)	\$ (199.8)	\$ (122.9)	\$ (124.9)
Net cash flow per scenario herein (Casino trap; No DIP)	\$ (152.4)	\$ (167.9)	\$ (67.4)	\$ (92.6)

Memo 1: Reinvestment timing change

Expenditure timing change	62.9	(44.6)	(11.5)	0.1
Deferral of expenditures	-	25.0	48.0	36.1
Reinvestment timing change	\$ 62.9	\$ (19.6)	\$ 36.5	\$ 36.2

\$ in millions

46 Operating Receipts

	Actual Jul-13	Actual Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	2A + 10F FY 2014
Operating Receipts													
Property taxes	\$ 32.7	\$ 171.5	\$ 13.3	\$ 6.8	\$ 3.2	\$ 22.1	\$ 142.5	\$ 21.3	\$ 4.9	\$ 1.4	\$ 2.6	\$ 40.2	\$ 468.4
Income & utility taxes	25.8	21.8	22.6	28.8	23.0	22.6	28.8	23.8	23.0	28.8	22.6	23.0	294.7
Gaming taxes	21.2	12.7	-	-	-	-	-	-	-	-	-	-	33.9
Municipal service fee to casinos	-	7.3	-	-	4.0	4.0	2.1	-	-	-	-	-	17.4
State revenue sharing	30.1	-	30.8	-	30.8	-	30.8	-	30.8	-	30.8	-	184.3
Other receipts	31.8	33.7	23.4	30.4	24.2	23.8	37.2	27.2	26.5	32.7	26.1	26.0	342.9
Financing proceeds	-	-	-	-	-	20.0	-	-	-	-	-	-	20.0
Total operating receipts	141.6	252.9	90.2	65.9	85.2	92.4	241.4	72.4	85.2	62.9	82.1	89.2	1,361.5
Operating Disbursements													
Payroll, taxes, & deductions													
Benefits	(33.9)	(29.4)	(26.1)	(36.0)	(27.2)	(27.2)	(32.1)	(28.3)	(28.3)	(37.0)	(28.3)	(28.3)	(362.2)
Pension contributions	(13.8)	(14.5)	(15.8)	(16.5)	(16.4)	(16.4)	(16.8)	(15.6)	(15.6)	(8.1)	(8.1)	(8.1)	(165.8)
Subsidy payments	(3.3)	(0.1)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(4.6)	(2.1)	(2.1)	(2.1)	(25.4)
Distributions - tax authorities	-	(83.2)	(46.8)	(6.7)	(1.2)	(1.5)	(67.1)	(24.5)	(12.1)	(4.6)	(4.6)	(4.6)	(49.0)
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	(2.0)	-	(8.0)	(253.1)
Distributions - DDA increment	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)
Income tax refunds	(2.6)	(1.1)	(0.6)	(0.3)	(1.4)	(0.9)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(5.4)	(17.0)
A/P and other miscellaneous	(44.2)	(25.0)	(39.8)	(45.7)	(38.3)	(33.7)	(61.2)	(43.0)	(52.5)	(56.9)	(47.0)	(47.0)	(534.3)
Professional fees	(2.3)	(1.5)	(5.1)	(8.2)	(6.4)	(5.8)	(5.8)	(5.5)	(4.7)	(4.6)	(4.8)	(4.7)	(59.3)
Sub-total operating disbursements	(100.2)	(154.7)	(145.1)	(120.0)	(97.7)	(100.3)	(190.3)	(123.9)	(120.2)	(117.7)	(96.1)	(109.1)	(1,475.2)
POC and debt related payments	(11.6)	(4.2)	(3.1)	(0.0)	(4.9)	(0.0)	(4.9)	(0.0)	(4.9)	(0.0)	(4.9)	(0.0)	(38.7)
Total disbursements	(111.8)	(159.0)	(148.2)	(120.0)	(102.6)	(100.3)	(195.2)	(123.9)	(125.1)	(117.7)	(101.0)	(109.1)	(1,513.9)
Net cash flow													
Cumulative net cash flow	29.8	93.9	(58.0)	(54.1)	(17.4)	(7.9)	46.2	(51.5)	(39.9)	(54.8)	(18.8)	(19.9)	(152.4)
	29.8	123.7	65.8	11.7	(5.7)	(13.6)	32.7	(18.9)	(58.8)	(113.6)	(132.5)	(152.4)	
Beginning cash balance	71.3	101.1	195.0	137.1	83.0	65.6	57.7	104.0	52.4	12.5	(42.3)	(61.2)	71.3
Net cash flow	29.8	93.9	(58.0)	(54.1)	(17.4)	(7.9)	46.2	(51.5)	(39.9)	(54.8)	(18.8)	(19.9)	(152.4)
Cash before required distributions	101.1	195.0	137.1	83.0	65.6	57.7	104.0	52.4	12.5	(42.3)	(61.2)	(81.1)	(81.1)
Accumulated property tax distributions	(56.9)	(85.7)	(48.2)	(46.3)	(47.3)	(62.7)	(105.9)	(98.4)	(33.3)	(32.4)	(34.5)	(35.3)	(35.3)
Cash net of distributions	\$ 44.3	\$ 109.4	\$ 88.9	\$ 36.7	\$ 18.3	\$ (5.0)	\$ (1.9)	\$ (46.0)	\$ (20.8)	\$ (74.8)	\$ (95.7)	\$ (116.4)	\$ (116.4)
Memo: (not included in cash flows above)													
Refunding bond proceeds in escrow	79.5	79.5	79.5	79.5	79.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5	59.5
Reimbursements owed to other funds	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow

57 Reimbursements owed to other funds

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3-\$ in millions

	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Forecast FY 2015
Operating Receipts													
Property taxes	\$ 31.0	\$ 168.3	\$ 12.6	\$ 6.4	\$ 3.1	\$ 20.9	\$ 135.1	\$ 20.2	\$ 4.7	\$ 1.3	\$ 2.5	\$ 38.1	\$ 444.2
Income & utility taxes	28.5	22.5	22.1	28.1	22.5	22.1	28.1	23.3	22.5	28.1	22.1	22.5	292.3
Gaming taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal service fee to casinos	-	7.3	-	-	4.0	4.0	2.1	-	-	-	-	-	17.4
State revenue sharing	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	31.0	-	186.1
Other receipts	27.5	26.1	26.2	32.8	26.6	26.2	32.8	28.3	27.5	33.7	27.1	26.6	341.6
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	118.0	224.2	91.9	67.4	87.2	73.2	229.2	71.8	85.7	63.2	82.7	87.2	1,281.6
Operating Disbursements													
Payroll, taxes, & deductions	(33.8)	(29.3)	(29.3)	(38.4)	(29.3)	(29.3)	(33.8)	(29.0)	(29.0)	(38.2)	(29.0)	(29.0)	(377.4)
Benefits	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.4)	(9.4)	(9.4)	(9.4)	(9.4)	(114.2)
Pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)
Subsidy payments	(5.6)	(2.9)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(51.0)
Distributions - tax authorities	-	(68.9)	(44.4)	(6.3)	(1.2)	(1.5)	(63.6)	(23.2)	(22.7)	(1.9)	-	(7.5)	(241.2)
Distributions - UTGO (unsecured)	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)
Distributions - DDA increment	-	-	-	-	-	(0.9)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(5.4)	(17.0)
Income tax refunds	(2.6)	(1.1)	(0.6)	(0.3)	(1.4)	(0.9)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(5.4)	(547.1)
A/P and other miscellaneous	(48.0)	(41.9)	(42.1)	(58.8)	(40.9)	(40.9)	(50.3)	(44.2)	(44.2)	(49.3)	(43.2)	(43.2)	(37.2)
Professional fees	(5.2)	(4.0)	(5.6)	(3.8)	(18.6)	-	-	-	-	-	-	-	(1,419.9)
Sub-total operating disbursements	(107.0)	(159.7)	(137.9)	(123.6)	(107.3)	(96.5)	(164.2)	(112.6)	(112.2)	(107.5)	(89.3)	(102.1)	(29.5)
POC and debt related payments	(4.9)	-	(4.9)	-	(4.9)	-	(4.9)	-	(4.9)	-	(4.9)	-	(1,449.4)
Total disbursements	(111.9)	(159.7)	(142.8)	(123.6)	(112.3)	(96.5)	(169.2)	(112.6)	(117.1)	(107.5)	(94.2)	(102.1)	(167.9)
Net cash flow	6.1	64.4	(50.8)	(56.2)	(25.1)	(23.3)	60.0	(40.8)	(31.4)	(44.3)	(11.5)	(14.8)	(81.1)
Cumulative net cash flow	6.1	70.5	19.7	(36.5)	(61.6)	(84.9)	(24.9)	(65.8)	(97.2)	(141.5)	(153.0)	(167.9)	(167.9)
Beginning cash balance	(81.1)	(74.9)	(10.5)	(61.3)	(117.6)	(142.7)	(166.0)	(106.0)	(146.8)	(178.2)	(222.6)	(234.1)	(248.9)
Net cash flow	6.1	64.4	(50.8)	(56.2)	(25.1)	(23.3)	60.0	(40.8)	(31.4)	(44.3)	(11.5)	(14.8)	(81.1)
Cash before required distributions	(74.9)	(10.5)	(61.3)	(117.6)	(142.7)	(166.0)	(106.0)	(146.8)	(178.2)	(222.6)	(234.1)	(248.9)	(248.9)
Accumulated property tax distributions	(55.8)	(87.9)	(51.9)	(49.8)	(50.6)	(64.8)	(103.4)	(96.3)	(34.6)	(33.7)	(35.7)	(35.3)	(35.3)
Cash net of distributions	\$ (130.7)	\$ (98.4)	\$ (113.2)	\$ (167.3)	\$ (193.3)	\$ (230.8)	\$ (209.4)	\$ (243.1)	\$ (212.8)	\$ (256.3)	\$ (269.8)	\$ (284.3)	\$ (284.3)

P5 Memo: (not included in cash flows above)

Refunding bond proceeds in escrow
Reimbursements owed to other funds

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

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Project Piston

Annual Cash Flow Forecast - Casino Trap: No DIP Financing Scenario (including reinvestment)

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\$ in millions

Operating Receipts

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
Property taxes	\$ 468.4	\$ 444.2	\$ 430.7	\$ 416.2
Income & utility taxes	294.7	292.3	294.0	296.1
Gaming taxes	33.9	-	-	-
Municipal service fee to casinos	17.4	17.4	17.4	17.4
State revenue sharing	184.3	186.1	187.9	189.5
Other receipts	342.9	341.6	348.1	343.0
Financing proceeds	20.0	-	-	-
Total operating receipts	1,361.5	1,281.6	1,278.1	1,262.1

Operating Disbursements

Payroll, taxes, & deductions	(362.2)	(377.4)	(378.3)	(378.3)
Benefits	(165.8)	(114.2)	(106.2)	(110.0)
Pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Subsidy payments	(49.0)	(51.0)	(37.9)	(40.7)
Distributions - tax authorities	(253.1)	(241.2)	(237.3)	(227.7)
Distributions - UTGO (unsecured)	-	-	-	-
Distributions - DDA increment	(9.0)	(9.0)	(9.0)	(9.0)
Income tax refunds	(17.0)	(17.0)	(17.0)	(17.0)
A/P and other miscellaneous	(534.3)	(547.1)	(504.0)	(516.0)
Professional fees	(59.3)	(37.2)	-	-
Sub-total operating disbursements	(1,475.2)	(1,419.9)	(1,315.9)	(1,325.3)
POC and debt related payments	(38.7)	(29.5)	(29.5)	(29.5)
Total disbursements	(1,513.9)	(1,449.4)	(1,345.4)	(1,364.3)

Net cash flow

Beginning cash balance	(152.4)	(167.9)	(67.4)	(92.7)
Net cash flow	71.3	(81.1)	(248.9)	(316.3)
Cash before required distributions	(152.4)	(167.9)	(67.4)	(92.7)
Accumulated property tax distributions	(81.1)	(248.9)	(316.3)	(409.0)
Cash net of distributions	(35.3)	(35.3)	(35.3)	(35.3)
	(116.4)	(284.3)	(351.6)	(444.3)

Memo: (not included in cash flows above)

Refunding bond proceeds in escrow

Reimbursements owed to other funds

59.5	59.5	59.5	59.5
tbd	tbd	tbd	tbd

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Appendix A
Reinvestment Adjustments Summary
Work in Process - Subject to Material Change

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE
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\$ in millions

	Actual Jul-13	Actual Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	2A + 10F FY 2014
Operating Receipts													
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Gaming taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal service fee to casinos	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	(0.2)	0.1	0.2	0.2	7.0	2.5	2.5	2.5	2.5	2.0	19.1
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	-	-	(0.2)	0.1	0.2	0.2	7.0	2.5	2.5	2.5	2.5	2.0	19.1
Operating Disbursements													
Payroll, taxes, & deductions	-	-	(0.1)	(1.2)	(1.1)	(1.1)	(1.8)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(16.6)
Benefits	-	-	(0.1)	(0.7)	(0.7)	(0.7)	(1.1)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(9.8)
Pension contributions	-	-	(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.4)
Subsidy payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - tax authorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax refunds	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P and other miscellaneous	-	-	(4.8)	(2.7)	(2.6)	(2.6)	(19.4)	(19.5)	(18.1)	(16.2)	(16.2)	(16.2)	(118.3)
Professional fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total operating disbursements	-	-	(11.3)	(6.7)	(6.5)	(6.5)	(24.4)	(25.1)	(23.8)	(21.9)	(21.9)	(21.9)	(170.1)
POC and debt related payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	(11.3)	(6.7)	(6.5)	(6.5)	(24.4)	(25.1)	(23.8)	(21.9)	(21.9)	(21.9)	(170.1)
Net cash flow	-	-	(11.5)	(6.6)	(6.3)	(6.3)	(17.4)	(22.7)	(21.4)	(19.4)	(19.4)	(19.9)	(151.0)
Cumulative net cash flow	-	-	(11.5)	(18.1)	(24.4)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	-
Beginning cash balance	-	-	-	(11.5)	(18.1)	(24.4)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	-
Net cash flow	-	-	(11.5)	(6.6)	(6.3)	(6.3)	(17.4)	(22.7)	(21.4)	(19.4)	(19.4)	(19.9)	(151.0)
Cash before required distributions	-	-	(11.5)	(18.1)	(24.4)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	(151.0)
Accumulated property tax distributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash net of distributions	\$ -	\$ -	(11.5)	(18.1)	(24.4)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	\$ (151.0)

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

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3-\$ in millions

	Forecast												Forecast FY 2015
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	
Operating Receipts													
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Gaming taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal service fee to casinos	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	2.5	2.6	2.6	2.6	2.6	2.6	2.6	3.5	3.5	3.5	3.5	2.6	34.3
Financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating receipts	2.5	2.6	2.6	2.6	2.6	2.6	2.6	3.5	3.5	3.5	3.5	2.6	34.3
Operating Disbursements													
Payroll, taxes, & deductions	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(23.2)
Benefits	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(13.5)
Pension contributions	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.7)
Subsidy payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - tax authorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions - DDA increment	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax refunds	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P and other miscellaneous	(12.5)	(12.5)	(13.4)	(22.5)	(11.4)	(11.4)	(14.8)	(14.8)	(14.8)	(13.8)	(13.8)	(13.8)	(169.3)
Professional fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total operating disbursements	(17.8)	(17.8)	(18.8)	(27.8)	(16.8)	(16.8)	(20.1)	(19.8)	(19.7)	(18.8)	(18.8)	(18.8)	(231.7)
POC and debt related payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	(17.8)	(17.8)	(18.8)	(27.8)	(16.8)	(16.8)	(20.1)	(19.8)	(19.7)	(18.8)	(18.8)	(18.8)	(231.7)
Net cash flow	(15.3)	(15.3)	(16.2)	(25.3)	(14.2)	(14.2)	(17.6)	(16.3)	(16.3)	(15.3)	(15.3)	(16.2)	(197.4)
Cumulative net cash flow	(15.3)	(30.5)	(46.7)	(72.0)	(86.2)	(100.4)	(118.0)	(134.3)	(150.6)	(165.9)	(181.2)	(197.4)	
Beginning cash balance	(151.0)	(166.3)	(181.5)	(197.7)	(223.0)	(237.2)	(251.5)	(269.0)	(285.4)	(301.6)	(316.9)	(332.3)	(151.0)
Net cash flow	(15.3)	(15.3)	(16.2)	(25.3)	(14.2)	(14.2)	(17.6)	(16.3)	(16.3)	(15.3)	(15.3)	(16.2)	(197.4)
Cash before required distributions	(166.3)	(181.5)	(197.7)	(223.0)	(237.2)	(251.5)	(269.0)	(285.4)	(301.6)	(316.9)	(332.3)	(348.5)	(348.5)
Accumulated property tax distributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash net of distributions	\$ (166.3)	\$ (181.5)	\$ (197.7)	\$ (223.0)	\$ (237.2)	\$ (251.5)	\$ (269.0)	\$ (285.4)	\$ (301.6)	\$ (316.9)	\$ (332.3)	\$ (348.5)	\$ (348.5)

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Project Piston

Annual Cash Flow Forecast - Appendix A (reinvestment adjustments summary)

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\$ in millions

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
Operating Receipts				
Property taxes	\$ -	\$ -	\$ -	\$ -
Income & utility taxes	-	-	-	-
Gaming taxes	-	-	-	-
Municipal service fee to casinos	-	-	-	-
State revenue sharing	-	-	-	-
Other receipts	19.1	34.3	40.8	48.0
Financing proceeds	-	-	-	-
Total operating receipts	19.1	34.3	40.8	48.0
Operating Disbursements				
Payroll, taxes, & deductions	(16.6)	(23.2)	(15.2)	(15.5)
Benefits	(9.8)	(13.5)	(8.9)	(8.9)
Pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Subsidy payments	-	-	-	-
Distributions - tax authorities	-	-	-	-
Distributions - UTGO (unsecured)	-	-	-	-
Distributions - DDA increment	-	-	-	-
Income tax refunds	-	-	-	-
A/P and other miscellaneous	(118.3)	(169.3)	(124.5)	(138.2)
Professional fees	-	-	-	-
Sub-total operating disbursements	(170.1)	(231.7)	(174.8)	(189.3)
POC and debt related payments	-	-	-	-
Total disbursements	(170.1)	(231.7)	(174.8)	(189.3)
Net cash flow	(151.0)	(197.4)	(134.0)	(141.3)
Cumulative net cash flow	-	-	-	-
Beginning cash balance	-	(151.0)	(348.5)	(482.5)
Net cash flow	(151.0)	(197.4)	(134.0)	(141.3)
Cash before required distributions	(151.0)	(348.5)	(482.5)	(623.8)
Accumulated property tax distributions	-	-	-	-
Cash net of distributions	(151.0)	(348.5)	(482.5)	(623.8)

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Appendix B

Reinvestment Adjustments Detail
Work in Process - Subject to Material Change

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE
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\$ in millions

	Actual Jul-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	2A + 10F FY 2014
Other restructuring receipts												
Collections	\$ -	\$ -	(0.1)	(0.1)	(0.1)	0.1	0.1	0.1	0.1	0.1	0.1	\$ 0.5
Increased collection rate	-	0.4	0.1	0.1	0.1	0.4	0.6	0.6	0.6	0.6	0.4	4.2
Collection of past due	-	0.4	0.1	0.1	0.1	1.0	1.2	1.2	1.2	1.2	1.0	7.6
Pricing/Fees	-	0.5	0.4	0.4	0.4	0.6	0.6	0.6	0.6	0.6	0.6	5.5
Grant revenue	-	(1.5)	(0.4)	(0.4)	(0.4)	4.9	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	1.4
Tax revenue upside	-	-	-	-	-	-	-	-	-	-	-	-
Total other restructuring receipts	-	(0.2)	0.1	0.2	0.2	7.0	2.5	2.5	2.5	2.5	2.0	19.1
Other restructuring disbursements												
Permanent labor	-	(0.1)	(1.2)	(1.1)	(1.1)	(1.8)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(16.6)
Benefits	-	(0.1)	(0.7)	(0.7)	(0.7)	(1.1)	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)	(9.8)
DC pension contributions	-	(6.4)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(25.4)
Sub-total labor related	-	(6.5)	(4.0)	(3.9)	(3.9)	(5.0)	(5.7)	(5.7)	(5.7)	(5.7)	(5.7)	(51.8)
Professional & contract services	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.3)
Training	-	-	(0.1)	(0.1)	(0.1)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(4.3)
Materials and supplies	-	(0.0)	(0.1)	(0.0)	(0.0)	(0.4)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(4.1)
Utilities	-	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchased services	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(1.9)
Risk management/insurance	-	-	-	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
Transfers in/out (General Fund)	-	(0.1)	(0.1)	-	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.2)
Other	-	0.1	(0.0)	0.0	0.0	0.2	0.3	0.3	0.3	0.3	0.3	1.9
Blight	-	(0.5)	(0.5)	(0.5)	(0.5)	(3.0)	(3.0)	(5.6)	(5.6)	(5.6)	(5.6)	(30.5)
PLD decommission	-	-	-	-	-	-	-	-	-	-	-	-
Technology infrastructure	-	(2.6)	(0.8)	(0.8)	(0.8)	(2.0)	(2.0)	(2.0)	(1.9)	(1.9)	(1.9)	(16.6)
Capital expenditures	-	(0.8)	(0.4)	(0.4)	(0.4)	(4.3)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(27.0)
Other infrastructure	-	-	-	-	-	(6.0)	(6.0)	(2.1)	(0.2)	(0.2)	(0.2)	(14.9)
Reorganization costs	-	(0.8)	(0.6)	(0.6)	(0.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(18.2)
Deferral of expenditures	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total capex and other	-	(4.8)	(2.7)	(2.6)	(2.6)	(19.4)	(19.5)	(18.1)	(16.2)	(16.2)	(16.2)	(118.3)
Total other restructuring disbursements	-	(11.3)	(6.7)	(6.5)	(6.5)	(24.4)	(25.1)	(23.8)	(21.9)	(21.9)	(21.9)	(170.1)
Net impact of reinvestment	\$ -	\$ (11.5)	\$ (6.6)	\$ (6.3)	\$ (6.3)	\$ (17.4)	\$ (22.7)	\$ (21.4)	\$ (19.4)	\$ (19.4)	\$ (19.9)	\$ (151.0)
Plus Cumulative net cash flow	-	(11.5)	(18.1)	(24.4)	(30.7)	(48.2)	(70.8)	(92.2)	(111.7)	(131.1)	(151.0)	

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

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3-\$ in millions

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Project Piston

Annual Cash Flow Forecast - Appendix B (reinvestment adjustments detail)

9/17/13 12:43 PM

\$ in millions

Other restructuring receipts

	2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
Collections	0.5	0.3	0.3	2.3
Increased collection rate	4.2	8.0	9.6	12.8
Collection of past due	7.6	4.8	5.4	-
Pricing/Fees	5.5	11.5	11.5	11.5
Grant revenue	1.4	(2.4)	(2.4)	(2.4)
Tax revenue upside	-	12.2	16.4	23.8
Total other restructuring receipts	19.1	34.3	40.8	48.0

Other restructuring disbursements

Permanent labor	(16.6)	(23.2)	(15.2)	(15.5)
Benefits	(9.8)	(13.5)	(8.9)	(8.9)
DC pension contributions	(25.4)	(25.7)	(26.2)	(26.6)
Sub-total labor related	(51.8)	(62.4)	(50.3)	(51.1)
Professional & contract services	(1.3)	(1.9)	(1.9)	(1.9)
Training	(4.3)	(6.7)	(6.1)	(6.1)
Materials and supplies	(4.1)	(8.0)	(7.6)	(7.6)
Utilities	0.0	3.8	3.8	3.8
Purchased services	(1.9)	(1.6)	(0.6)	(1.1)
Risk management/insurance	(0.1)	0.9	5.9	5.9
Transfers in/out (General Fund)	(1.2)	2.6	6.0	6.1
Other	1.9	3.2	3.3	3.3
Blight	(30.5)	(69.5)	(100.0)	(100.0)
PLD decommission	-	(25.0)	(25.0)	(25.0)
Technology infrastructure	(16.6)	(23.1)	(15.9)	(7.6)
Capital expenditures	(27.0)	(41.1)	(15.3)	(29.0)
Other infrastructure	(14.9)	(16.2)	(14.4)	(13.6)
Reorganization costs	(18.2)	(11.7)	(4.8)	(1.5)
Deferral of expenditures	-	25.0	48.0	36.1
Sub-total capex and other	(118.3)	(169.3)	(124.5)	(138.2)
Total other restructuring disbursements	(170.1)	(231.7)	(174.8)	(189.3)

Net impact of reinvestment

	\$ (151.0)	\$ (197.4)	\$ (134.0)	\$ (141.3)
Cumulative impact of reinvestment	(151.0)	(348.5)	(482.5)	(623.8)

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

Appendix C

Debt Sub-Schedules

Work in Process - Subject to Material Change

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Project Piston

Monthly sub-schedules FY 2014 - Appendix C

9/17/13 12:43 PM

\$ in millions

POC and debt related payments

POC swap set-asides
 LTGO set-aside - 2010 (\$250m) - principal
 LTGO set-aside - 2010 (\$250m) - interest
 LTGO set-aside - 2012C (\$130m) - principal
 LTGO set-aside - 2012C (\$130m) - interest
 Capital lease payments
 DIP financing (\$350m) - principal
 DIP financing (\$350m) - interest

Total POC and debt related payments

	5	4	4	5	4	4	4	5	4	4	4	5	4	4	4	2A + 10F FY 2014
	Actual Jul-13	Actual Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14				
\$	(8.5)	(4.2)	-	-	-	-	-	-	-	-	-	-	\$	-	\$	(12.7)
	-	-	-	-	-	(1.1)	(1.1)	-	-	-	-	-		-	-	(4.3)
	(2.1)	-	(2.1)	-	-	(2.1)	(2.1)	-	(1.1)	-	(1.1)	-		(2.1)	-	(12.6)
	-	-	-	-	-	(0.7)	(0.7)	-	(0.7)	-	(0.7)	-		(0.7)	-	(2.9)
	(1.0)	-	(1.0)	-	-	(1.0)	(1.0)	-	(1.0)	-	(1.0)	-		-	-	(6.1)
	(0.0)	(0.0)	-	(0.0)	-	(0.0)	(0.0)	-	(0.0)	(0.0)	-	(0.0)		-	-	(0.1)
	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-
	(11.6)	(4.2)	(3.1)	(0.0)	(4.9)	(0.0)	(4.9)	(0.0)	(4.9)	(0.0)	(4.9)	(0.0)		(38.7)		

CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

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\$ in millions

POC and debt related payments[illegible]

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Project Piston

Annual sub-schedules - Appendix C

9/17/13 12:43 PM

\$ in millions

2A + 10F FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017
\$ (12.7)	\$ -	\$ -	\$ -
(4.3)	(6.7)	(7.0)	(7.4)
(12.6)	(12.4)	(12.0)	(11.7)
(2.9)	(4.4)	(4.6)	(4.9)
(6.1)	(6.0)	(5.8)	(5.6)
(0.1)	-	-	-
-	-	-	-
-	-	-	-
(38.7)	(29.5)	(29.5)	(29.5)

POC and debt related payments

POC swap set-asides
 LTGO set-aside - 2010 (\$250m) - principal
 LTGO set-aside - 2010 (\$250m) - interest
 LTGO set-aside - 2012C (\$130m) - principal
 LTGO set-aside - 2012C (\$130m) - interest
 Capital lease payments
 DIP financing (\$350m) - principal
 DIP financing (\$350m) - interest

Total POC and debt related payments

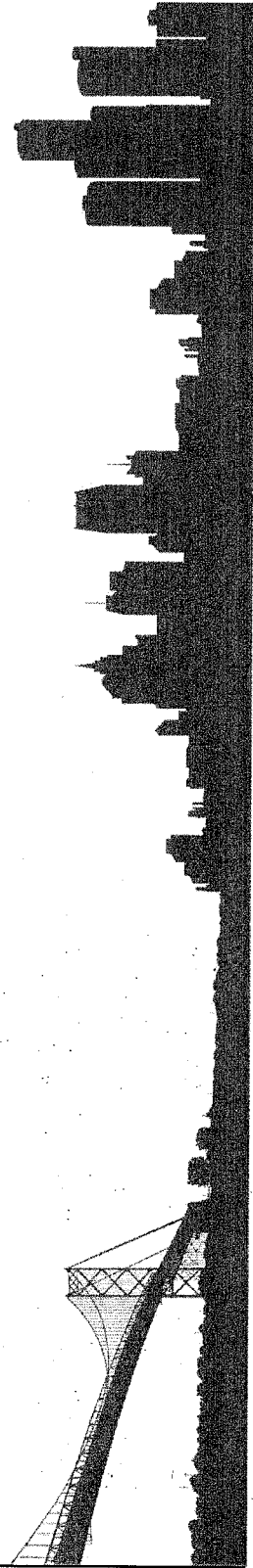
CONFIDENTIAL - PRELIMINARY DRAFT - SUBJECT TO CHANGE

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CITY OF DETROIT

Illustrative Cash Chart

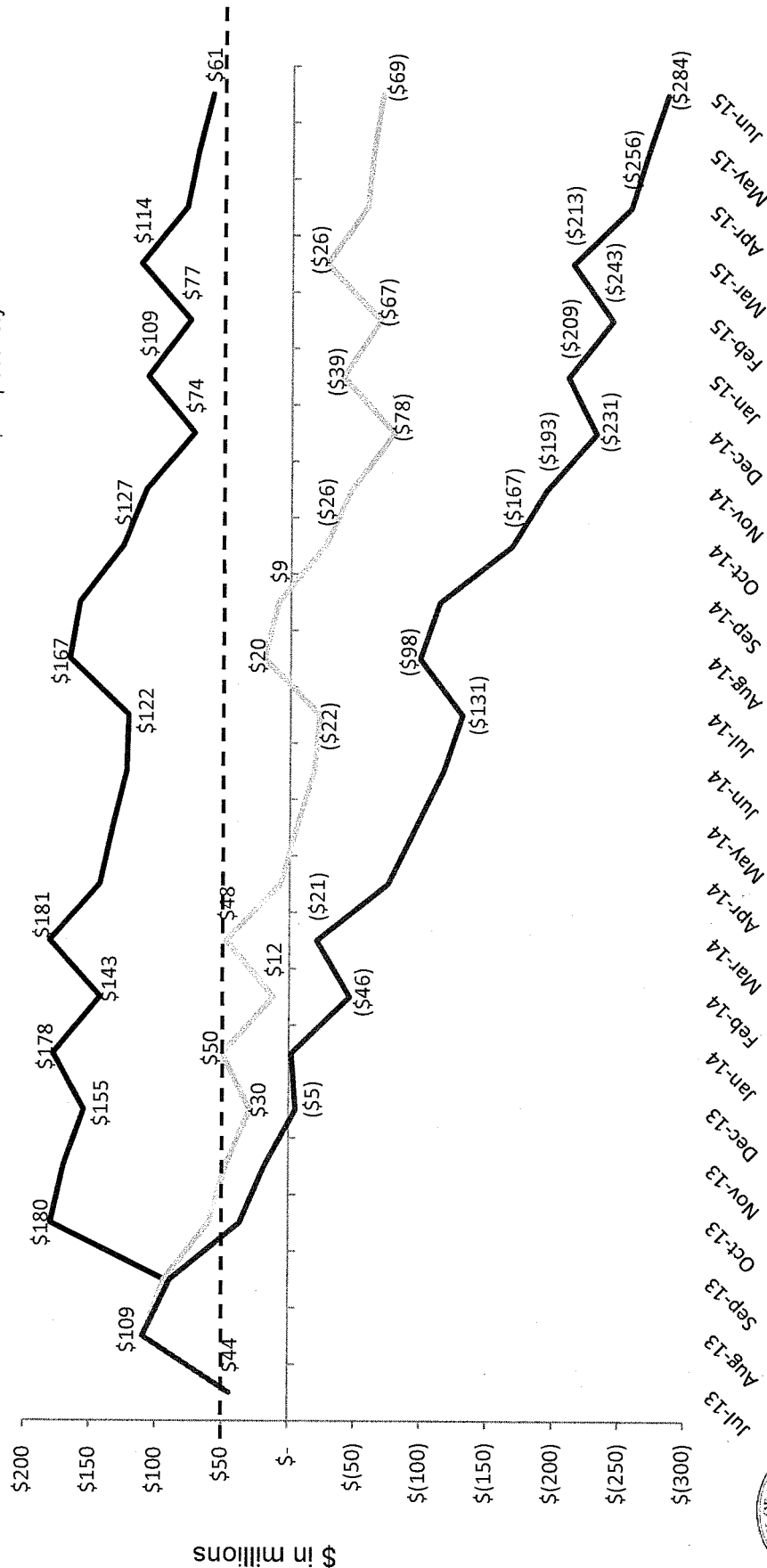
September 18, 2013



Projected Cash Balance (net of distributions)

Key Assumptions (see supporting cash flows for other assumptions):

1. Cash balances are shown net of estimated property tax related distributions owed to other entities
2. Balances assume retiree healthcare is transitioned to new structure effective January 1, 2014
3. Balances assume \$20m of escrow proceeds are drawn Dec'13, but do not include additional proceeds which remain in escrow
4. Balances do not include any changes in compensation other than a 2% per year cost of living adjustment beginning in July 2014
5. Balances include net reinvestment expenditures of \$151m and \$197m in FY 2014 and FY 2015, respectively



Scenario 1 — Scenario 2 — Scenario 3
 Scenario 1 - DIP financing, swap settlement, no casino trap
 Scenario 2 - No DIP financing, No swap settlement, No casino trap
 Scenario 3 - No DIP financing, No swap settlement, Casino trap, no further swap payments

OFFICE OF THE EMERGENCY MANAGER

Exhibit B

Exit Engagement Letter

**SYNCORA
Exhibit
223**

BARCLAYS CAPITAL INC.

PERSONAL AND CONFIDENTIAL

October 6, 2013

The City of Detroit, Michigan
c/o Norma Corio
Co-President and Managing Director
Miller Buckfire & Co., LLC
601 Lexington Avenue, 22nd Floor
New York, New York 10022

Engagement Letter for Exit Financing

Dear Ms. Corio:

The City of Detroit, Michigan (the "City" or "you") has advised Barclays Capital, Inc. ("Barclays" and together with the City, the "Engagement Parties") that the City filed a voluntary petition on July 18, 2013 seeking relief under the provisions of chapter 9 of title 11 of the United States Code in the U.S. Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court"). The City's bankruptcy case bears Case No. 13-53846 (the "Bankruptcy Case").

You have further advised us that you currently anticipate that the City will issue (or another entity will issue on behalf of the City) notes or bonds or similar securities or evidences of indebtedness, through public distribution or private placement or otherwise (the "Exit Notes"), pursuant to a plan of adjustment in the Bankruptcy Case or otherwise (the "Exit Financing"), the proceeds of which will be used to repay debt incurred during the Bankruptcy Case (including, without limitation, the Post-Petition Facility but excluding debt in respect of the Detroit Water and Sewerage Department) and, if necessary, pay other debt and claims outstanding at the time the City exits the Bankruptcy Case.

I. Engagement

- (a) This letter agreement (this "Engagement Letter") is to confirm your and our understanding with respect to our engagement in respect of the Exit Financing.
- (b) Subject to the terms and conditions of this Engagement Letter, you agree that Barclays will have the right (but not the obligation) to act as exclusive and sole bookrunner, underwriter and/or placement agent (or any similar role applicable to the specific form of Exit Financing) with respect to the Exit Financing as set forth in this Engagement Letter. Pricing in respect of the Exit Financing will reflect competitive market rates as of the time of the Exit Financing.

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- (c) You shall have no right to appoint any other financial institution to act as bookrunner, underwriter and/or placement agent (or any similar role applicable to the specific form of Exit Financing), no other financial institution shall have any title or role, and no other financial institution shall receive any consideration, in each case, in connection with the Exit Financing, including with respect to any direct sale or other form of transaction.
- (d) Barclays's advertising name will appear at the bottom center of the front page of any offering or information memorandum related to the Exit Financing. Barclays shall have the sole responsibility, subject to input from the City, to (i) establish the schedule for investor meetings, (ii) coordinate all pre-marketing activity, (iii) coordinate roadshow logistics, (iv) coordinate the final determination of the interest rate to be recommended in connection with the Exit Financing, (v) coordinate the final allocation of any commitments or notes issued in connection with the Exit Financing, (vi) if applicable, act as billing and delivery agent and (vii) if applicable, act as stabilization agent.
- (e) Our engagement hereunder, and our right to act in respect of the Exit Financing, is on an exclusive basis. During the term of this Engagement Letter (which shall continue until terminated pursuant to Section 9), you and your agents and representatives will not approach, initiate, solicit or enter into any discussions or negotiations with or mandate or appoint any bank or financial institution or other person or entity to arrange or participate in any Exit Financing, including, without limitation, through the issuance, offering or sale of any debt securities (whether or not similar to the Exit Financing) to, or the incurrence of loans from, any third parties, in each case except through Barclays or its designated affiliates. Notwithstanding anything herein to the contrary, to the extent the City violates this Section 1(e), Barclays' sole and exclusive remedy is the fee provided for in Section 6(c) hereof.
- (f) Notwithstanding any other provision of this Engagement Letter, you acknowledge that Barclays will not render any tax, accounting, legal or regulatory advice in connection with any Exit Financing, and you acknowledge that you will consult with and rely on your own advisors regarding those matters.

2. Cooperation

- (a) In connection with the Exit Financing, the City will co-operate fully with Barclays and its counsel in connection with, and cause its agents, representatives and advisors to be reasonably available for, due diligence and drafting meetings and make available to Barclays any other documentation Barclays may reasonably request in respect of the Exit Financing, subject to applicable laws and regulations governing the provision and disclosure of such information.
- (b) In anticipation of the final sale of the Exit Notes to Barclays in respect of a distribution subject to Paragraph (b) of Securities and Exchange Commission Rule 15c2-12, as amended ("Rule 15c2-12"), but only if Rule 15c2-12 is applicable to such offering and sale, the City shall prepare a preliminary official statement (the "Preliminary Official Statement"), in the form required by then-current market

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practice and in order to comply with all securities and state laws requirements at the time of the sale date and the delivery date of the Exit Notes. The City shall, by no later than the date required by then-current market practice or securities or state law requirements (i) deliver to Barclays, in such manner as Barclays and its counsel shall reasonably request, a sufficient number of copies of the Preliminary Official Statement in "final" form as required by Paragraph (b)(1) of Rule 15c2-12. The City shall deliver, or shall cause to be delivered, to Barclays, at or prior to the delivery date of the Exit Notes, a sufficient number of copies of the final Official Statement in substantially the form of the Preliminary Official Statement with only such changes and insertions therein from the Preliminary Official Statement as shall have been approved by Barclays, to enable Barclays to comply with Rule 15c2-12. The City will not be required to provide any "10b-5 representations" with respect to the Preliminary Official Statement, but shall only be required to deem the Preliminary Official Statement final in accordance with the terms of Rule 10b-5. For the avoidance of doubt, the City shall be required to provide customary "10b-5 representations" with respect to the final Official Statement.

- (c) To the extent required by law, the City will enter into one or more agreements or other legally binding continuing disclosure obligations for the benefit of the holders of the Exit Notes, obligating the City to provide secondary market disclosure as required by Rule 15c2-12.
- (d) The City will furnish such information, will execute and deliver such instruments and documents and will take such other action in cooperation with Barclays as Barclays may reasonably request at no cost to the City to: (i) qualify the Exit Notes for offer and sale under the "Blue Sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as Barclays may (in its sole discretion) designate; (ii) determine the eligibility of the Exit Notes for investment under the laws of states and other jurisdictions as Barclays may (in its discretion upon consultation with, and agreement of the City) designate, and to provide for the continuance of such qualifications or exemptions in effect for so long as required for distribution of Exit Notes; and (iii) allow Barclays to sell the Exit Notes, each in accordance with in accordance with market practice and securities and state law at such time.
- (e) The City shall engage nationally recognized bond counsel ("**Bond Counsel**") and Bond Counsel shall provide, at closing, an opinion, reasonably acceptable to Barclays, with respect to the validity of the Exit Notes and, if applicable, the exclusion from gross income of the owners of the Exit Notes of interest payable on the Exit Notes, for federal income tax purposes and to the effect that the Exit Notes are exempt from registration under the Securities Act and the related financing documents are exempt from qualification under the Trust Indenture Act of 1939, as amended.
- (f) The City shall, to the extent required by law, properly and timely file, with the assistance of Bond Counsel, Form 8038-G with the Internal Revenue Service pursuant to Section 149(e) of the Internal Revenue Code.

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- (g) The City shall, if applicable, provide a non-arbitrage certificate or tax regulatory agreement prepared by Bond Counsel, which shall set forth the facts, estimates and circumstances sufficient to satisfy the criteria which are necessary under the Internal Revenue Code, to support the opinion of Bond Counsel that the interest on the Exit Notes is excludable from gross income to the beneficial owners thereof under the Internal Revenue Code, if such Exit Notes are issued on a tax-exempt basis.
- (h) If the Exit Notes are issued on a tax-exempt basis, the City shall make all customary covenants required by Barclays with respect to the tax-exempt status of the Exit Notes, including, without limiting the foregoing, covenants to the effect that (i) the City will not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on any Exit Note to become subject to federal income taxes, (ii) the City will not permit any of the proceeds of the Exit Notes to be used in any manner that would cause any Exit Notes to constitute a "private activity bond" within the meaning of Section 141 of the Internal Revenue Code, (iii) the City will not permit any of the proceeds of the Exit Notes or other moneys to be invested in any manner that would cause any Exit Note to constitute an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code or a "hedge bond" within the meaning of Section 149(g) of the Internal Revenue Code and (iv) the City will comply with the provisions of Section 148(f) of the Internal Revenue Code relating to the rebate of certain investment earnings at periodic intervals to the United States of America.
- (i) Documentation in respect of the Exit Financing will contain such conditions precedent, representations, warranties, events of default and other terms and conditions as may be agreed among the parties, and which are customary for transactions of this nature.
- (j) The City shall provide such additional legal opinions, instruments and other documents as Bond Counsel, Barclays or Barclays's counsel may reasonably request in order to conform to then-current market practice, or to satisfy Barclays's internal policies or to comply with all securities, tax and state laws requirements and all other laws, rules and regulations applicable to a public offering of this type.

3. Clear Market

You agree that you will ensure that no mandate or authorization to arrange any Exit Financing in the capital or financial markets shall be awarded to any financial institution or group of financial institutions other than to Barclays in accordance with this Engagement Letter. Notwithstanding anything herein to the contrary, to the extent the City violates this Section 3, Barclays' sole and exclusive remedy is the fee provided for in Section 6(c) hereof.

4. No Commitment

- (a) Barclays shall not be obliged by this Engagement Letter to underwrite, purchase, syndicate or place the Exit Notes or any other debt or provide any other financing. If an offering of Exit Notes is undertaken, or any other debt financing is arranged, the

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contractual arrangements will be reflected in one or more underwriting, purchase, credit or other agreements between the City and the parties thereto (each, a "Financing Agreement"). You acknowledge that Barclays will have no obligation to buy or place the Exit Notes or to arrange or participate in the making of any other financing available, in each case, except upon signing of such definitive agreements.

- (b) The execution of any Financing Agreement will be subject, in the complete discretion of Barclays, to, among other things, (i) satisfactory completion of a due diligence review, (ii) the receipt of all necessary internal and external approvals (including internal commitment committee approval), (iii) market conditions which, in Barclays's judgment, are satisfactory, and (iv) compliance by the City with this Engagement Letter and such definitive agreements. Each Financing Agreement will be consistent with this Engagement Letter to the extent permitted by law and otherwise will include the final terms of the financing, including the transaction size, structure and pricing terms, as well as other reasonable and customary terms and conditions agreed to by the City, including provisions relating to indemnity, conditions precedent for the agreement to become effective and certain termination events. The provisions of this Section 4(b) shall remain effective until a Financing Agreement is executed and thereafter this Section 4(b) shall be superseded by such Financing Agreement to the extent provided for therein.

5. Conflicts of Interest

You acknowledge that Barclays is engaged in securities trading and brokerage activities, as well as providing investment banking and financial advisory services. In the ordinary course of trading and brokerage activities and the production of research, Barclays and its affiliates may at any time hold positions, and may trade or otherwise effect transactions, for their own account or the accounts of customers, in debt securities of entities that may be involved in the transactions contemplated hereby. You acknowledge and agree that Barclays may be prevented, by reason of law, duties of confidentiality owed to other persons, the rules of any regulatory authority or Barclays's internal controls, from using or disclosing to you any information known to Barclays in connection with this Engagement Letter or the transactions contemplated hereby. You agree, so as expressly to override any duties, obligations or restrictions which would otherwise be implied by law or regulation, that in carrying out this Engagement Letter, Barclays will not be required to have regard to or rely on any material information from other clients which is confidential which may be relevant to you or any material information obtained by Barclays while acting for another client which has interests which conflict with your interests in relation to the transactions contemplated hereby.

6. Fees; Expenses

- (a) You agree to pay to Barclays an aggregate underwriting discount, placement fee, initial purchaser's discount or arrangement fee with respect to the Exit Financing (the "Underwriting Spread") equal to (i) in the event the Exit Financing receives at least one investment grade public rating from either Moody's Investors Service or Standard & Poor's, 0.50% of the aggregate principal amount of the Exit Financing and (ii)

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otherwise, 0.75% of the aggregate principal amount of the Exit Financing, in each case to be deducted from the gross proceeds thereof.

- (b) In addition to the Underwriting Spread, whether or not an Exit Financing is completed or any financing is arranged, you shall pay all reasonable and documented out-of-pocket costs and expenses of Barclays, if any, in connection with the Exit Financing, including the reasonable fees, expenses and disbursements of legal counsel. You agree that you shall be responsible for all your own legal, accounting and other agents' or advisors' fees and costs, including all other expenses related to the transactions contemplated hereby.
- (c) In the event that you or any person on behalf of you completes an Exit Financing or any bond, note, bank, bridge or other syndicated credit or other financing in lieu of the Exit Financing (collectively, the "**Alternative Financing**") the proceeds of which are to be used in whole or in part to repay debt incurred during the Bankruptcy Case (including, without limitation, the Post-Petition Facility) and/or pay other debt and claims outstanding at the time the City exits the Bankruptcy Case, in each case, without providing Barclays the right to provide, arrange, place or underwrite such Exit Financing or Alternative Financing, then you agree, unless Barclays has terminated this Engagement Letter or breached its obligation to provide the Exit Financing on the terms set forth herein, to pay to Barclays an amount equal to 0.75% of the aggregate outstanding amount of the Post-Petition Facility immediately prior to the time the City exits the Bankruptcy Case, which payment will be made on the date of the closing of such Exit Financing or Alternative Financing from the proceeds of thereof.
- (d) To the extent applicable, all amounts payable hereunder are exclusive of value-added tax or any similar taxes ("**VAT**"). All amounts charged or required to be reimbursed hereunder will be invoiced together with VAT, where required, and such VAT shall be for your account. In addition, all such amounts shall be paid free and clear of, and without any deduction or withholding for or on account of, any current or future taxes, levies, imposts, duties, charges or other deductions or withholdings levied in any jurisdiction from or through which payment is made or where the payer is located unless such deduction or withholding is required by applicable law, in which event, you agree to pay additional amounts so that the persons entitled to such payments will receive the amount that such persons would otherwise have received but for such deduction or withholding.

7. Information

- (a) You agree to use your best efforts, to the extent permitted by law, to (a) furnish or cause to be furnished to Barclays such information as Barclays may reasonably request for inclusion in any document to be used in connection with the Exit Financing (all such information so furnished being the "**Information**"), (b) provide all information to Barclays and its advisors as Barclays shall, and such advisors shall, reasonably request in connection with legal and business due diligence, and (c) furnish or cause to be furnished to Barclays all information concerning the transactions contemplated hereby and the operations and affairs of the City which is,

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in the opinion of Barclays, material to the proper performance under this Engagement Letter and all such further information as Barclays may reasonably request. You recognize and confirm that Barclays (a) will rely on the Information and on information available from generally recognized public sources in performing the services contemplated by this Engagement Letter without having independently verified the same, (b) does not assume responsibility for the accuracy or completeness of the Information and (c) will not make an appraisal of any assets or liabilities of the City. You will promptly advise Barclays in writing if you become aware that any Information previously provided has become inaccurate or misleading in any material respect or is required to be updated in any material respect.

- (b) Barclays may share any Information and any other information or matters relating to you and the transactions contemplated hereby with any of their affiliates, and any such affiliate may likewise share information relating to you and the transactions contemplated hereby with Barclays, in each case, on a confidential and need-to-know basis in connection with the transactions contemplated hereby.

8. Indemnity

- (a) You agree to indemnify and hold harmless Barclays (in each case, for itself and for each Indemnified Party) and its affiliates and their respective directors, officers, employees, agents and controlling persons (Barclays and each such person being an "Indemnified Party") from and against any and all losses, claims, damages, liabilities, costs and expenses whatsoever, joint or several, to which any such Indemnified Party may become subject caused by, relating to or arising out of any untrue statement or alleged untrue statement of a material fact contained in the final Official Statement, furnished or made available by you or your agents or representatives or the omission or the alleged omission to state therein a material fact necessary in order to make the statements therein not misleading, in the light of the circumstances under which they were made; provided, however, that the City will not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of or is based upon an untrue statement or omission or alleged untrue statement or omission made in the Official Statement either (a) in reliance upon and in conformity with written information supplied to the City by Barclays specifically for inclusion therein, unless the City has independent knowledge as to the truth of such written information, or (b) contained under the captions "BOOK-ENTRY ONLY SYSTEM," "TAX EXEMPTION," "RATINGS," or "UNDERWRITING" or similarly titled sections except to the extent that information under such captions was based upon information supplied by, or solely within the independent knowledge of, the City, and will reimburse each Indemnified Party to the extent permitted by law for all expenses (including counsel fees and expenses) as they are incurred by an Indemnified Party in connection with the investigation of, preparation for or defense of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party thereto and whether or not such claim, action or proceeding is initiated or brought by or on behalf of the City and whether or not the City is a party thereto. You shall not be liable to any Indemnified Party under clause (ii) of the foregoing indemnification provision to the extent that any loss, claims, damage, liability or expense which is determined by a non-

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appealable judgment of a court of competent jurisdiction to have resulted from such Indemnified Party's willful misconduct or gross negligence. You also agree that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the City or any of its agents or representatives related to or arising out of the appointment of Barclays pursuant to, or the performance by Barclays of the services contemplated by, this Engagement Letter except to the extent that a non-appealable judgment of a court of competent jurisdiction determines that any loss, claim, damage or liability has resulted from Barclays's willful misconduct or negligence, including, without limitation, any material omission or misstatement provided by Barclays provided by it to the City for inclusion into the final Official Statement. In no event shall any Indemnified Party be liable for consequential damages which may be alleged to arise out of or in connection with this Engagement Letter or the transactions contemplated hereby or relating or in any way arising from any proposed or actual use of the proceeds from the Exit Financing or any related matter.

- (b) You agree to notify Barclays promptly after becoming aware of the assertion against you or any of your agents or representatives, or after receipt of notice of the assertion against any other person, of any claim or the commencement of any such action or proceeding relating to any transaction contemplated by this Engagement Letter or its engagement hereunder.
- (c) You agree that, without Barclays's prior written consent, you will not settle, compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding in respect of which (i) Barclays or any other Indemnified Party is an actual or potential party to such claim, action or proceeding or (ii) indemnification could be sought under the indemnification provision of this Engagement Letter (whether or not Barclays or any other Indemnified Party is an actual or potential party to such claim, action or proceeding) unless such settlement, compromise or consent includes an unconditional release of each Indemnified Party from all liability arising out of such claim, action or proceeding and does not include a statement as to an admission of fault, culpability or failure to act by or on behalf of any Indemnified Party. Except as set forth above, you further agree that you have no right to settle, compromise, negotiate, consent, make any representation or do anything on behalf of Barclays in any pending or threatened claim, action or proceeding.
- (d) Neither Barclays nor any of its affiliates shall be liable hereunder for any action, failure to act or breach of this Engagement Letter by any person other than itself and nothing in this Engagement Letter or the nature of our services shall be deemed to create a fiduciary or agency relationship between Barclays or its affiliates, on the one hand, and the City or any of its agents or representatives, on the other hand. Furthermore, you agree that you will not institute, support and participate in claims in respect of this Engagement Letter brought personally against any employee, partner, servant or agent of Barclays.

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9. Termination

This Engagement Letter shall terminate on the closing of an Exit Financing or an Alternative Financing. This Engagement Letter may be terminated at any time by Barclays upon at least three business days' prior written notice thereof to that effect. The provisions contained herein relating to confidentiality, the payment of fees, any accrued rights and liabilities and indemnification will survive any such termination.

10. Miscellaneous

- (a) You acknowledge and agree that Barclays has been retained to act for the City to the extent provided herein.
- (b) This Engagement Letter may not be assigned by you without the prior written consent of Barclays.
- (c) You agree that this Engagement Letter including, without limitation, any advice rendered hereunder, is for your confidential use only and will not be disclosed by you to any person other than to your agents, representatives, officers, directors and advisors in connection with the Exit Financing on a confidential and "need to know" basis, except that, following your acceptance hereof, and after providing prior written notice to Barclays and with appropriate redactions as reasonably requested by Barclays, you may make such public disclosures of the terms and conditions hereof as you are required by law, court of law (including the Bankruptcy Court) or legal or regulatory process to make (including as required under Michigan P.A. 436 or Section 36a of the Michigan Home Rule City Act). You agree that you will permit Barclays to review and approve any reference to Barclays contained in any press release, filing or similar public disclosure made in connection herewith or any such press release, filing or public disclosure required to be reviewed and/or approved by Barclays under any applicable law or regulation prior to public release. You acknowledge that Barclays may, at its option, place an announcement in such newspapers and periodicals as it may choose describing its role in connection with the Exit Financing.
- (d) This Engagement Letter shall be governed by, and construed in accordance with, the laws of the State of Michigan.
- (e) This Engagement Letter is issued for your benefit only and no other person or entity (other than the Indemnified Persons) may rely hereon.
- (f) Each of the Engagement Parties hereby irrevocably and unconditionally:
 - (i) submits, for itself and its property, (a) during the pendency of the Bankruptcy Case, to the exclusive jurisdiction of the Bankruptcy Court and (b) after the Bankruptcy Case has been closed, to the non-exclusive jurisdiction of (1) the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City and (2) the courts of the State of Michigan and the United States District Court for the Eastern District of Michigan and, in each case of the foregoing, any appellate court from any

such court, in any action, suit, proceeding or claim arising out of or relating to this Engagement Letter or the transactions contemplated hereby, the performance of services contemplated hereunder, or for recognition or enforcement of any judgment, and agrees that all claims in respect of any such action, suit, proceeding or claim may be heard and determined in such court; provided that suit for the recognition or enforcement of any judgment obtained in any such court may be brought in any other court of competent jurisdiction,

- (ii) waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any action, suit, proceeding or claim arising out of or relating to this Engagement Letter, the transactions contemplated hereby or the performance of services contemplated hereunder in any such court,
 - (iii) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such action, suit, proceeding or claim in any such court,
 - (iv) agrees to commence any such action, suit, proceeding or claim in such courts, as applicable and
 - (v) agrees that service of any process, summons, notice or document by registered mail addressed to the City or Barclays, as applicable, shall be effective service of process for any such action, suit, proceeding or claim brought in any such court.
- (g) You agree, on behalf of yourself and your agents and representatives, that the foregoing provisions of Section 10(f) above shall also apply to your agents and representatives to the same extent as to you, and Barclays's obligations hereunder are being made in reliance on the foregoing.
- (h) **EACH OF THE ENGAGEMENT PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY ACTION, SUIT, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY OR ON BEHALF OF ANY PARTY HERETO ARISING IN CONNECTION WITH OR AS A RESULT OF ANY MATTER REFERRED TO IN THIS ENGAGEMENT LETTER OR THE PERFORMANCE OF SERVICES HEREUNDER.**
- (i) If any term, provision, covenant or restriction in this Engagement Letter is held by a court of competent jurisdiction to be invalid, void or unenforceable or against public policy, the remainder of the terms, provisions, covenants and restrictions contained herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated. You and Barclays shall endeavor in good faith negotiations to replace the invalid, void or unenforceable provisions with valid and enforceable provisions the economic effect of which comes as close as possible to that of the invalid, void or unenforceable provisions.

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- (j) This Engagement Letter may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this letter by facsimile transmission shall be as effective as delivery of a manually signed counterpart hereof.

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Please confirm that the foregoing correctly sets forth our agreement by signing and returning to Barclays a duplicate copy of this Engagement Letter enclosed herewith.

Very truly yours,

BARCLAYS CAPITAL INC.

by 

Name: John Gerbino

Title: Managing Director

Accepted and agreed to as of
the date first written above:

THE CITY OF DETROIT, MICHIGAN

By 

Name

KEVIN D. ORR

Title

EMERGENCY MANAGER

- 12 -

[[3430711]]



MILLER BUCKFIRE

Miller Buckfire & Co., LLC
601 Lexington Avenue, 22nd Floor
New York, New York 10022
www.millerbuckfire.com

Norma Corio
Co-President & Managing Director
Phone: 212-895-1805
Fax: 212-895-1850
norma.corio@millerbuckfire.com

August 26, 2013

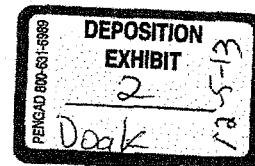
Addressee
Company
Street Address 1
Street Address 2
City, State ZIP

Dear []:

On behalf of the City of Detroit ("Detroit" or the "City"), Miller Buckfire & Co., LLC ("Miller Buckfire") is soliciting parties who may be interested in providing the City with a financing proposal. Detroit is seeking up to \$350 million Debtor-In-Possession Financing (the "Financing"). The City expects that proceeds of the Financing would be used principally to fund: i) the City's obligations with respect to the certain optional swap terminal rights under the Forbearance and Optional Termination Agreement (the "Forbearance Agreement") and ii) the City's reinvestment initiatives. The City will also consider financing proposals other than the aforementioned financing structure(s) including but not limited to novation of the City's swap agreements referenced in the Forbearance Agreement as an alternative to (i) above.

Included as an attachment to this letter, Miller Buckfire has provided a term sheet summarizing the proposed financing, a copy of the Forbearance Agreement and a transaction timeline. The information provided is subject to the terms and conditions of the Confidentiality Agreement that you previously executed with the City. Based upon this information, prospective financing sources will be expected to submit indicative term sheets ("Term Sheets") **no later than 3 P.M. E.S.T. on September 6, 2013**, to the attention of:

Norma Corio
Co-President & Managing Director
Miller Buckfire & Co., LLC
601 Lexington Avenue, 22nd Floor
New York, New York 10022
Tel: (212) 895-1805
norma.corio@millerbuckfire.com



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Your Term Sheet should be in writing and should specify the following:

- (i) Description of the contemplated debt financing structure;
- (ii) Indication of pricing and other key terms (tenor, fees, rates/spreads, amortization, security, conditions precedent, etc);
- (iii) Amount your institution is willing to commit to underwrite;
- (iv) Significant issues that may impact the overall structure and/or your level of commitment;
- (v) Process required to provide a definitive commitment letter, including identification of any significant contingencies; and
- (vi) Any other information that you believe will assist Miller Buckfire and the City in reviewing your Term Sheet.

In evaluating the Term Sheets, the City, in conjunction with Miller Buckfire, will take into consideration, among other things, the contemplated transaction structure, pricing and fees associated with the transaction and the financing source's ability to close a transaction expeditiously. Upon completion of this review, Miller Buckfire and the City will select a limited number of financing sources to complete due diligence and to provide Detroit with a financing commitment, which will be due in late September.

Detroit reserves the right, at any time, in its sole discretion and without specifying the reasons therefore, to alter or terminate this process, and to terminate discussions with any and all prospective financing sources. The existence and contents of this letter are subject to the Confidentiality Agreement that you previously executed regarding the City. Prospective financing sources may not contact any employee of the City, except as specifically authorized in advance.

If you have further questions concerning Detroit or the procedures set forth in this letter, please feel free to call Norma Corio at (212) 895-1805, Jim Doak at (212) 895-1829 or Kevin Haggard at (212) 895-1883.

Thank you for your continued interest. We look forward to working with you.

Sincerely,

MILLER BUCKFIRE & CO, LLC

cc: Thomas Saxton, Deputy Treasurer, Michigan Department of the Treasury
Kevyn Orr, Emergency Manager, City of Detroit

City of Detroit
\$350,000,000 Post-Petition Loan or Bond Facility
Summary of Certain Key Terms and Conditions

Set forth below is a summary of certain key terms for the Post-Petition Facility (as defined below). This summary of terms is for indicative purposes only. It does not purport to summarize all terms of the Post-Petition Facility and related documentation and any terms contained herein are subject to change.

1. PARTIES AND TRANSACTIONS

Borrower: The City of Detroit (the "City"). On July 18, 2013, the City filed a voluntary petition for relief under chapter 9 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), in the U.S. Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court"). The City's bankruptcy case bears case number 13-53846 (the "Bankruptcy Case") and has been assigned to the Honorable Steven W. Rhodes.

Administrative Agent: TBD

Lenders: TBD

2. TYPE AND AMOUNT OF FACILITY

Type and Amount: Up to \$350,000,000, two loan or bond facility (the "Post-Petition Facility") consisting of a "Swap Termination Loan" and a "Quality of Life Loan". The Swap Termination Loan and the Quality of Life Loan are collectively referred to as the "Loans". With regards to the Forbearance Agreement as referenced below, the City, alternatively, will consider financing proposals other than a Debtor-In-Possession financing structure, including, but not limited to, novation of the City's swap agreements.

Swap Termination Loan: The Swap Termination Loan may be used by the City to exercise its swap termination rights under the Forbearance and Optional Termination Agreement dated as of July 15, 2013, among the City, the Emergency Manager of the City, the Detroit General Retirement System Service Corporation, the Detroit Police and Fire Retirement System Service Corporation, on the one hand, and UBS AG and Merrill Lynch Capital Services, Inc., on the other (as amended, the "Forbearance Agreement"). The City's financing needs with respect to the exercise of its termination rights under the Forbearance Agreement are currently estimated to be approximately \$230,000,000.

Quality of Life Loan: Proceeds of the Quality of Life Loan shall be used for purposes

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permitted by law, including, without limitation, to fund expenditures that are designed to contribute to the improvement of the quality of life in the City. The Quality of Life Loan will be in an amount equal to \$350,000,000 minus the amount of the Swap Termination Loan.

Maturity: The Loans will mature on the earliest to occur of (a) dismissal of the Bankruptcy Case (b) the effective date of a plan of adjustment for the City and (c) the second anniversary of the Closing Date (hereinafter defined) (in any event, the "Maturity Date").

Closing Date: The Closing Date shall be the first business day after the last to occur of (i) the Bankruptcy Court having entered an order in form and substance satisfactory to the Administrative Agent and the Lenders (the "Post-Petition Financing Order"), authorizing the Post-Petition Facility, authorizing the City to enter into the Loan Documents and and authorizing and directing the City to perform its obligations there under that has not been stayed pending appeal or otherwise, (ii) the Bankruptcy Court having entered an order for relief in the Bankruptcy Case and (iii) the Date on which all conditions precedent to the funding of the Loans under the Loan Documents are satisfied.

3. CERTAIN PAYMENT PROVISIONS

Pricing: TBD

Upon the occurrence of an Event of Default, including the failure by the City to pay the Loans in full on the Maturity Date, the interest rates on the loans shall be increased by 2% per annum.

Amortization of Principal: TBD

Mandatory Prepayments: The City shall utilize all net proceeds of the voluntary disposition or monetization of any City owned asset which generates net proceeds exceeding \$10 million (the "Asset Proceeds Collateral") to pay amounts outstanding under the Swap Termination Loan and the Quality of Life Loan on a pro-rata basis as and when such net proceeds are received by the City.

4. COLLATERAL AND PRIORITY

Collateral – Swap Termination Loan: The obligations owing by the City under the Swap Termination Loan shall, pursuant to section 364(c) of the Bankruptcy Code, be secured by a first priority lien on: (i) income tax revenues of the City (the "Pledged Income Tax Revenue") and (ii) the Asset Proceeds Collateral (collectively, the "Swap Termination Loan Collateral"). The lien on

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the Asset Proceeds Collateral shall also secure the Quality of Life Loan on a pari-passu basis. The Quality of Life Loan shall be secured by a second lien on the Pledged Income Tax Revenue.

The documentation evidencing the Loans and the liens securing them (collectively, the "Loan Documents") will require that the Pledged Income Tax Revenues be deposited into one or more bank accounts (such bank accounts, the "Income Tax Revenue Accounts"), which such bank accounts shall be subject to control agreements in favor of the Administrative Agent, provided, however, that the Loan Documents shall limit the amount of Pledged Income Tax Revenue that may be applied to the outstanding amounts owing with respect to the Swap Termination Loan following an Event of Default to \$4 million per month, all of which shall be applied to repay the Swap Termination Loan until such loan is paid in full and thereafter, such amounts shall be applied to repay the Quality of Life Loan. The City shall be authorized to use all other Pledged Income Tax Revenue to fund the operations of the City, without limitation, following the occurrence of an Event of Default.

Collateral – Quality of Life Loan:

The obligations owing by the City under the Post-Petition Facility with respect to the Quality of Life Loan shall, pursuant to section 364(c) of the Bankruptcy Code, be secured by (i) a first priority lien on (a) taxes owing to the City in respect of the gross receipts earned by each of the City's casinos (the "Pledged Wagering Tax Revenues") and (b) the Asset Proceeds Collateral and (ii) a second priority lien on the Pledged Income Tax Revenue (collectively, the "Quality of Life Loan Collateral"). The lien on the Asset Proceeds Collateral shall also secure the Swap Termination Loan on a pari-passu basis.

The Loan Documents will require that Pledged Wagering Tax Revenues be deposited into one or more bank accounts (such bank accounts, the "Wagering Tax Revenue Accounts"), which such bank accounts shall be subject to control agreements in favor of the Administrative Agent, provided, however, that the Loan Documents shall limit the amount of Wagering Tax Revenue that may be applied to the outstanding amounts owing with respect to the Quality of Life Loan during an Event of Default to \$4 million per month. The City shall be authorized to use all other Pledged Wagering Tax Revenue for any purpose permitted by law, without limitation, following the occurrence of an Event of Default.

Super-Priority of Loans:

Pursuant to Bankruptcy Code sections 364(c) and 503 the Loans shall have priority over all administrative expenses and over all prepetition unsecured claims.

Events of Default:	The failure to make any payment when such payment is due under the Loan Documents following notice from the Lenders shall constitute an event of default under the Loan Documents (an " <u>Event of Default</u> ").
Prohibition of Additional Borrowings:	The City will covenant that it will not to obtain any additional financing that (a) would have the same, or senior, payment priority to the Post-Petition Facility, or (b) is secured by a lien having senior or equal priority lien on any of the Swap Termination Loan Collateral or Quality of Life Loan Collateral. The Post-Petition Financing Order shall provide that no Asset Proceeds Collateral shall be used for any purpose other than the payment of amounts outstanding under the Loans.

5. CERTAIN OTHER PROVISIONS

Authority to Borrow:	Prior to the Closing Date, the City shall have received authorization from the Emergency Loan Board under Section 36a of the Home Rule City Act.
City Consent to Jurisdiction:	The City shall consent to the jurisdiction of the Bankruptcy Court's to enter the Post-Petition Financing Order and to enforce the City's obligations thereunder pursuant to Bankruptcy Code section 904.
Restrictions on Dismissal of Bankruptcy Case:	The Post-Petition Financing Order will prohibit dismissal of the Bankruptcy Case prior to the City paying all amounts outstanding under the Post-Petition Facility unless an order dismissing the case expressly provides that such order does not vacate or otherwise affect the Post-Petition Financing Order and that the Bankruptcy Court or the United States District Court for the Eastern District of Michigan shall retain jurisdiction to enforce the Post-Petition Financing Order.

From: CN=David A Hall/O=JonesDay
Sent: 10/20/2013 5:21:37 PM
To:
irvin@detroitmi.gov;davidw@detroitmi.gov;spiveyan@detroitmi.gov;watsonj@detroitmi.gov;kenneth.cockrel@detroitmi.gov;bjones@detroitmi.gov;tatej@detroitmi.gov;jenkinssa@detroitmi.gov
CC: CN=Brad B. Erens/O=JonesDay@JonesDay;"Doak, James"
<james.doak@millerbuckfire.com>;CN=Robert J. Graves/O=JonesDay@JonesDay;orrk@detroitmi.gov;mayss@detroitmi.gov;CN=Bruce Bennett/O=JonesDay@JONESDAY;CN=Heather Lennox/O=JonesDay@JonesDay
BCC: CN=David A Hall/O=JonesDay
Subject: Responses to Inquiries of City Council Regarding Postpetition Financing

All,

Please find attached responses to the inquiries of City Council related to the City's proposed postpetition financing. Please let us know if you have further questions. Many thanks.

Best regards,

David

David A. Hall • Associate 77 WEST WACKER • CHICAGO, IL 60601
DIRECT 312.269.4207 • FAX 312.782.8585 • MOBILE 312.543.6678
DAHALL@JONESDAY.COM

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This e-mail (including any attachments) may contain information that is private, confidential, or protected by attorney-client or other privilege. If you received this e-mail in error, please delete it from your system without copying it and notify sender by reply e-mail, so that our records can be corrected.
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Attachment: CHI_1907995_3_Questions for Consultants on Detroit DIP Financing October 2013.DOCX

City Council October 16, 2013 Questions for Consultants on \$350M Post-Petition Financing for Closed Session

PRIVILEGED & CONFIDENTIAL ATTORNEY-CLIENT COMMUNICATION

1. Are the Post Petition Financing fixed rate loans or variable interest rate loans?

City Response:

They are variable rate loans.

- a. Why does the financing include a variable interest rate when interest rates are starting to creep upwards, thereby creating a risk that the City would eventually pay additional costs on the financing by the maturity date? This appears to be unfavorable to the City.

City Response:

The Purchaser proposed a floating/variable interest rate calculated at a spread (2.5%) above a base rate of 30-day LIBOR. While 30-day LIBOR may increase, it is currently at 0.18%. It is unlikely that 30-day LIBOR will exceed the contractual floor of the base rate of 1.0% over the life of this loan.

Banks such as the purchaser fund their loans with variable rates, so they prefer to charge variable rates. In addition, the City likely would have to pay a higher interest rate to obtain a fixed rate, particularly given the City's current credit rating.

- b. Wouldn't a fixed rate be better for budgeting purposes? The City may not have sufficient cash reserves to protect itself against interest rate spikes under a variable rate.

City Response:

It is unlikely that over the life of this loan that cash reserves will be made insufficient by changes in interest rates.

- c. When the \$350 M PPF takes place what will the payments be for the city? Do these payments represent interest and principal? All interest and no principal? Or possibly not even covering the interest cost so that the principal actually will be increasing in the short term (1 to 2 years)? What is included in the 10 year forecast for the repayment of the \$350 M PPF and/or the final replacement debt? Or what is the repayment schedule over the life of the PPF and/or replacement financing??

City Response:

The City will make a monthly payment. These payments will represent interest. Absent an event of default, the post-petition financing does not have any scheduled principal payments until maturity. The payments will cover the full interest cost; the principal balance will not accrete. The 10-year forecast did not include the post-petition financing or the final replacement debt. The revised post-petition cash projection does include post-petition financing. The revised cash projection includes an assumption that the City repays the post-petition financing from gaming tax and income tax proceeds, beginning in late 2014. The terms of the replacement financing, including amortization/repayment provisions, have not yet been determined.

2. If SWAPs are terminated the City will have to assume the interest payment on the POCs, what is the current payment that the City will have to assume? If the POCs principal is devalued through bankruptcy to \$.10 on the dollar, what interest payment would the City have to make?

City Response:

The POCs are unsecured obligations, and, as such, are not entitled to any payments, including interest payments, during the chapter 9 proceeding. The treatment of the POCs under a plan of adjustment for the City has yet to be determined, but it currently is assumed that the POCs will receive substantially the same treatment as the City's other unsecured creditors. The City's June, 2013 proposal to creditors contemplated a plan of adjustment that provided that the City's roughly \$18 billion in unsecured debt share pro rata in recovery from an approximately \$2.0 billion non-recourse note with an interest rate on that note to be determined.

3. If the POCs principal is devalued through bankruptcy to \$.10 on the dollar and the SWAPs are not terminated, what interest payment would SWAP Counterparties have to make? Would that impact the payment the City would owe to the SWAP Counterparties? Is the SWAP Counterparties' obligation to the POC holders eliminated?

City Response:

The POCs and SWAPs are different transactions, although they are related. If the SWAPs are not terminated, then the City will continue to owe a monthly payment to the SWAP Counterparties that fluctuates based on, among other things, interest rates and is approximately \$4.2 million per month.

4. On page 2 of the Term Sheet it indicates three potential events that cause the loans to mature. Will you please give an estimated date under each of these events.

City Response:

The three events that cause maturity of the loan are (a) dismissal of the chapter 9 bankruptcy case; (b) the effective date of a plan of adjustment for the City; and (c) 2-1/2 years from the closing date of the loan.

We do not expect that the chapter 9 case will be dismissed. The EM has targeted the Fall of 2014 for the effective date of a plan of adjustment for the City. The expected closing date for the loan is towards the end of this year, so 2-1/2 years would be mid-2015.

- a. What happens if the City is not in a financial position to refinance the notes at time of maturity? At that point, if the City can't repay the loan on its own, it's stuck with renegotiating the financing notes with Barclays in a weakened position. Isn't there the potential, and it is a distinct possibility to occur, that the City could find itself in the position that the debt service on the \$350 PPF could become \$8 M per month, or \$96 M per year? Which would be substantially greater than the current \$50 M per year on the swaps?

City Response:

The City was able to obtain the loan on favorable terms during the chapter 9 case even though it has not legally discharged the debt it intends to discharge under a plan of adjustment. As a result, we would expect, although we cannot guaranty, that the City will be in an even stronger position to obtain a loan to refinance this loan upon its emergence from chapter 9, at a time when the City may be shedding approximately \$16 billion in unsecured obligations.

5. What are the assumed interest rates expected to be when the proposed financing matures. What will the anticipated refinancing costs and terms be at that time?

City Response:

If the post-petition financing is not repaid at maturity, the financing will be in default and the interest rate can increase 2.0%. As indicated in the question 4 above, the bondholders could collect default interest and retire the debt with the remainder of the \$96 million a year. With respect to the costs of refinancing the post-petition financing, an underwriter would most likely charge a placement fee or an underwriting discount consistent with market standards as part of a placement or underwriting process.

The interest rate of any refinancing will depend on prevailing interest rates and conditions in the capital markets, as well as the City's plan of adjustment, its pro forma debt levels and the terms of the replacement financing (such as duration and collateral). One of the purposes of the larger restructuring process is to reset the City's obligations to a manageable level and the City's plan of

adjustment, which will incorporate the repayment or refinancing of the post-petition financing, must meet certain tests associated with feasibility.

6. The legality of pledging the casino revenue is currently before the bankruptcy court. Could it be more favorable for the City to wait for any ruling from Judge Rhodes on the legality of using wagering taxes for security purposes before entering into another financing deal?

City Response:

It is not clear that such a strategy would be more favorable, and this strategy would introduce financial and litigation risk to the City. Moreover, the legality of the casino revenue pledge is not directly before bankruptcy court. What currently is before the bankruptcy court is a proposed compromise that, among other things, provides for a potential discounted payoff of the SWAPs based upon the allegation that the pledge of the gaming revenue to secure the SWAPs may not have been valid under state law. However, the bankruptcy court is not required, in connection with the proposed settlement, to actually rule as to whether the pledge of casino revenues was legally valid.

The City and its advisors considered the City's various options prior to entering into the proposed settlement. These options included, among other things, litigating whether the casino revenue pledge was invalid. Litigation is always uncertain, costly, and time consuming. If the City chose to litigate and won, the SWAPs would be unsecured obligations of the City. However, if the City litigated and lost, the SWAPs would be fully secured obligations which the City would have to satisfy in full. In addition, the SWAP counterparties have alleged that the automatic stay in the chapter 9 case does not apply to their transaction, and, if that position also were upheld, these parties could be entitled to keep all casino revenues in order to pay their debt, thereby depriving the City of a vital source of revenue and seriously jeopardizing its ability to have sufficient funds to operate. Prior to a ruling by the bankruptcy court on this issue, and potentially any appeals of that ruling, the status of the gaming revenue also would be uncertain.

Given these issues, the City ultimately determined that the proposed settlement with the SWAP counterparties was its best course of action.

- a. If the Judge were to rule in favor of using the wagering taxes as security, is it in the best interest of the City to terminate the SWAPs?

City Response:

Again, the legality of the casino revenue pledge is not directly before the bankruptcy court. However, if the bankruptcy court ruled the pledge were valid, then the City would have to fully honor its obligations under the SWAP transaction.

- b. If the Judge were to rule it's illegal to use the wagering taxes as security, then the swaps become unsecured debt and the position the counterparties becomes the same as other unsecured parties. At the time would it be more for the City to renegotiate the swaps? What is the benefit to the City to proceed with this transaction prior to a Court determination that this debt may be unsecured?

City Response:

Again, the legality of the casino revenue pledge is not directly before the bankruptcy court. However, if the bankruptcy court ruled the pledge were invalid, then the SWAP counterparties would be unsecured creditors in the bankruptcy case, although the SWAP obligation could continue to fluctuate based on interest rates.

- c. The term sheet indicates the financing could mature when the bankruptcy case is dismissed. What assurance do we have that the proposed financing wouldn't be issued before Judge Rhodes rules on the legality of the bankruptcy petition?

City Response:

A condition precedent to the financing is that the bankruptcy court rule in favor of the City on the issue of eligibility. As a result, the financing will not close before a ruling by the bankruptcy court on the eligibility issue.

7. On August 28, 2013, Judge Rhodes entered an order regarding casino revenues and the automatic stay. The order provides that the casino revenue is the property of the bankruptcy estate and therefore subject to the automatic stay. This has been interpreted by some to make the casino revenue available to all creditors which strips away SWAP counterparties' security interest. If this is correct, why are we treating the SWAP counterparties as secured parties?

City Response:

This is not correct. The ruling does not make the casino revenue available to all creditors of the City.

8. Let's assume that the waiting approach is adopted and it takes 6 months to get a determination on the swaps as secured or unsecured debt. At six months the city's cost would be about \$25M, how much would interest rates have to increase to offset the cost of waiting the 6 months?

City Response:

The City has determined that there is considerable risk associated with litigating the validity of the casino revenue pledge and does not intend to abandon its current legal and financial strategy.

9. Under MCL 432.212 (2), lists the restrictions on the use of wagering taxes. Which category allows the use of wagering taxes to secure the SWAPs or the proposed financing?

City Response:

With respect to the SWAPs, the SWAP counterparties have made certain legal arguments in support of the pledge of wagering taxes, which speak for themselves. In connection with the proposed post-petition financing, the City intends to rely on the federal bankruptcy code to authorize the pledge of collateral, including the wagering taxes, to the purchaser.

10. The interest rate swaps currently are working as designed to allow the City to pay a synthetic fixed rate rather than a variable rate. Why is there such an urgent need to terminate the swaps? Why not just do debtor-in-possession financing for generating cash for the reinvestment initiatives?

City Response:

The swaps are enormously expensive for the City. If the financing is approved, and the SWAPs terminated as a result, the City will save over \$35 million per year in financing costs, in addition to the approximately \$70 million one-time discount that the City will capture by paying off the SWAPs by the first milestone under the proposed settlement agreement.

11. Why does page 2 of 17 of the cash flows show negative cash flows even with the Post Petition financing?

City Response:

This question references the Project Piston Cash Flow Forecast - through FY 2017 (DIP Financing Scenario), dated 9/10/13 7:35 PM. Page 2 reconciles cash flow differences from the Creditors Proposal to the DIP forecast. In FY2014, the projected cash flow has been improved \$57.6 million, principally because the post-petition financing is raised.

In FY2015, the cash flows are \$94.8 million negative compared to the Creditors Proposal. The two largest reasons for the variance between the scenarios are (1) inclusion of the City's prospective OPEB spending and (2) repayment of the

post-petition financing consistent with the conservative assumptions laid out in other answers herein (default interest, pay down from \$8 million/month of tax revenues). For the same reasons FY2017 is comparatively negative. One should note (1) that the general fund cash balances remain positive throughout the forecast period, (2) in each year of the forecast the City is saving \$50 million from having settled the Swaps and (3) at the end of FY 2017 the post-petition debt balance would be down to around \$150 million.

12. Would all or a portion of the Post Petition Financing be issued on a tax exempt basis?

City Response:

It is possible that the Quality of Life loan may be tax exempt. Analysis of this issue is ongoing.

13. The term sheet attached to Mr. Orr's order says it "is a summary of certain key terms for the Swap Termination Note". Are there other "key terms" City Council should be aware of?

City Response:

The primary terms of the financing are in the term sheets. It should be noted, however, that the amount of "market flex" is not in the term sheet. In addition, as part of the arrangement, the City has retained Barclays to act as an exclusive arranger for potential exit financing in connection with the City's emergence from chapter 9. However, the City is entitled not to use Barclays for such purpose, but must pay a fee as "liquidated damages" in that event.

14. Can you explain the inconsistency we see in the Collateral section of the Term Sheet and the "Certain other Provisions" section in the use of wagering taxes as collateral?

City Response:

We do not see an inconsistency.

15. Isn't it problematic for the City moving forward if state revenue sharing, wagering taxes, and income taxes are being used as collateral at the same time for security purposes?

City Response:

The City believes, after a significant market testing, that obtaining credit without a pledge of collateral would be extremely difficult and expensive. As such, the City believes that the collateral pledged for the different loans secured by these revenue streams is what has been required for the City to borrow the funds it has needed. If the City's credit rating improves, which should occur as a result of its chapter 9 proceeding, then the City will be in a better position to

again be able to borrow on an unsecured basis. Additionally, the City will not be prevented from using wagering and income tax revenue during the life of the post-petition financing (other than the mandatory monthly paydown following an event of default, if any).

16. Per the term sheet, why is the City indemnifying Barclays from liability when there is pending litigation regarding LIBOR manipulation?

City Response:

We are not aware of the details of any potential litigation against Barclays that may involve the City. The indemnification by the City of Barclays relates only to the proposed transaction.

17. Isn't there the potential, and it is a distinct possibility to occur, that the City could find itself in the position that the debt service on the \$350 PPF could become \$8M per month, or \$96M per year? This would be substantially greater than the current \$50M per year on the SWAPs.

City Response:

The possibility would only occur if the City defaulted on the proposed loan. Additionally, even after an event of default under the postpetition financing, while the payment would be higher, the City would be reducing the principal value of the loan by \$8 million per month. In the status quo, the City will continue to pay amounts close to \$50 million a year in connection with the SWAPs, year after year, without reducing the City's ultimate obligations in connection therewith, until and unless short term rates rise very significantly, or the City negotiates a termination payment, likely to approach the full value of the mark-to-market liability.

18. What are the allocations to the general fund and other funds of the swap termination or Forbearance Agreement, and this \$350 Post Petition financing?

City Response:

Each of these transactions involves, as to the City, the general fund. The City is currently analyzing specific allocation options, but use of these funds will provide support for the various operational restructuring initiatives described in the June 14th Creditor Proposal.

19. How does this proposed financing affect the vested pensioners?

City Response:

There is no direct tie between the proposed financing and pensioners. However, if the City is able to obtain the financing, there will be substantial savings to the City generally. It also will permit the City to invest in its infrastructure, thereby improving the City for the potential benefit of all interested parties, including pensioners.

20. What specific projects or functions will be funded by the \$140M proceeds from the Quality of Life Loan? Please provide an itemized list with estimated costs for each item.

City Response:

The City is currently analyzing specific allocation options, but use of the Quality of Life proceeds will provide support for certain of the various operational restructuring initiatives described in the June 14th Creditor Proposal.

Finally, at the closed session, it was asked whether the City could pursue only the Swap Termination Loan and not the Quality of Life Loan. The agreements with Barclays contemplate both loans and do not contemplate only one loan. In addition, it is not the intention of the City to pursue only one loan.